

State Quarterly Economic Developments



U.S. DEPARTMENT OF COMMERCE

**Economic Development Administration
Office of Minority Business Enterprise
Bureau of Economic Analysis**

APRIL 1979



U.S. DEPARTMENT OF COMMERCE

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STATE QUARTERLY ECONOMIC DEVELOPMENTS



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Economic Development Administration
Office of Regional Development
Title V Regional Commissions
Coastal Plains
Four Corners
Old West
Ozarks
Pacific Northwest
Southwest Border**

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CONTENTS

| | Page |
|------------------------------------|------|
| National-Regional Overview: | |
| Nation | 3 |
| Regions and States | 4 |
| States: | |
| Alabama | 7 |
| Alaska | 15 |
| Arizona | 23 |
| Arkansas | 31 |
| California | 39 |
| Colorado | 47 |
| Connecticut | 55 |
| Delaware | 63 |
| District of Columbia | 71 |
| Florida | 79 |
| Georgia | 87 |
| Hawaii | 95 |
| Idaho | 103 |
| Illinois | 111 |
| Indiana | 119 |
| Iowa | 127 |
| Kansas | 135 |
| Kentucky | 143 |
| Louisiana | 151 |
| Maine | 159 |
| Maryland | 167 |
| Massachusetts | 175 |
| Michigan | 183 |
| Minnesota | 191 |
| Mississippi | 199 |
| Missouri | 207 |
| Montana | 215 |
| Nebraska | 223 |
| Nevada | 231 |
| New Hampshire | 239 |
| New Jersey | 247 |
| New Mexico | 255 |
| New York | 263 |
| North Carolina | 271 |
| North Dakota | 279 |
| Ohio | 287 |
| Oklahoma | 295 |
| Oregon | 303 |
| Pennsylvania | 311 |
| Rhode Island | 319 |
| South Carolina | 327 |
| South Dakota | 335 |
| Tennessee | 343 |
| Texas | 351 |
| Utah | 359 |
| Vermont | 367 |
| Virginia | 375 |
| Washington | 383 |
| West Virginia | 391 |
| Wisconsin | 399 |
| Wyoming | 407 |



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INTRODUCTION

Reports on current economic developments in each State and the District of Columbia are published 4 times a year—in January, April, July, and October. The reports are the result of an interagency effort within the Department of Commerce to assemble and interpret, in a consistent manner for all States, current economic data from a variety of public and private sources. Each report contains analyses and data for a number of key economic indicators (see below) for the quarter ending four months prior to the publication date; this quarter is the most recent one for which data are available and is hereafter termed the “current” quarter. Each report highlights percent changes in the key economic indicators between the current quarter and the corresponding quarter one year earlier (hereafter termed the “year-ago” quarter); the use of this timespan eliminates the distorting effects of data fluctuations that recur seasonally. In addition, each report compares percent changes for each State with the corresponding changes for the Nation in order to assess the extent to which each State participates in national economic developments. The use of economic indicators for which the estimation methods are the same for all States facilitates State-to-State comparisons.

Each report sheds light on various aspects of each State’s economy, such as the size of consumer and industrial markets, changes in the price level, the number of persons working or looking for work, and the future level of building activity. This information is particularly valuable to persons in government, business, the media, and the academic community who follow economic developments in particular States.

Key Economic Indicators

Each report focuses on all of the following key economic indicators:

1. **Personal income** consists of private and government wage and salary disbursements, other labor income (such as employers’ contributions to private social insurance programs), farm and nonfarm proprietors’ income, dividends, interest, rents, and transfer payments (such as unemployment insurance benefits), less personal contributions for social insurance. It is measured before the deduction of personal taxes. It is the only key economic indicator adjusted for seasonality; it is not adjusted for price changes. Personal income measures the size of consumer markets and, when presented by industry of origin, can be interpreted as a measure of the size of industrial markets.
2. The **labor force** consists of all civilians classified as employed or unemployed. **Employed persons** are (a) those who did any work for pay or profit or worked 15 hours or more per week as unpaid workers in a family enterprise, and (b) those who were not working but who had jobs or businesses from which they were temporarily absent for noneconomic reasons. **Unemployed persons** are those who

had no jobs, but made specific efforts to find jobs and were available for work.

3. **Commercial bank loans** consist of commercial and industrial loans, loans to individuals, real estate loans, loans to farmers (except for real estate), and other loans (such as loans to other banks). They exclude holdings of government securities. **Commercial bank deposits** consist of demand deposits—which are noninterest-bearing and subject to withdrawal on demand—and time and savings deposits—which are interest-bearing and for which some advance notice may be required before withdrawal. It should be noted that loans and deposits reported by banks in a State may reflect the economic activities of nonresidents as well as residents.
4. **Construction contracts** represent estimated costs of structures contracted for and started, or due to start within 60 days. The total consists of the following types of structures: residential housekeeping (including additions and alterations), residential nonhousekeeping (such as hotels), nonresidential (such as stores and factories), and nonbuilding (such as streets and highways). The total includes subcontracting costs, such as those for roofing. **Dwelling units** started, or due to start, are those with built-in facilities for cooking and, where required by climate, for heating. Among the key economic indicators, construction starts data are useful because they indicate future economic activity.
5. **Retail sales** are total receipts from customers of establishments primarily engaged in selling goods for personal or household consumption and in rendering services incidental to the sale of the goods. Sales data, which indicate the level of consumer demand, are available for 19 States.
6. The **consumer price index** is a statistical measure of changes in prices for a fixed “market basket” of goods and services bought by a particular population group. In this report, the group consists of urban wage earners and clerical workers. In future reports, it will consist of all urban consumers. The index is available for about two dozen metropolitan areas in the Nation. The index is useful for measuring price changes over time; it cannot be used for making cost-of-living comparisons among areas because of differences among areas in the “market baskets.”
7. **Business incorporations** consist of new business that incorporate under State laws, businesses that transfer from noncorporate to corporate status, corporations that transfer from one State to another, and corporations that become certified to operate in an additional State. **Business failures** consist of concerns involved in court proceedings or voluntary actions that are likely to end in losses to creditors. Because of differences among States in incorporation and debt assignment laws, care must be taken in making State-to-State comparisons for either indicator.

For a more thorough discussion of the above indicators and their components, contact: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Analysis Division, Washington, D.C. 20230.

Organization of Each Report

Each report has two main parts.

The National-Regional Overview—has two sections:

1. **Nation.** This section contains a brief discussion of national economic developments, mainly for the timespan subsequent to the "current" quarter. The discussion focuses on gross national product, personal income, prices, employment and unemployment, and construction.
2. **Regions and States.** This section—which shows the economic development in any one region or State in the perspective of developments in other regions or States—contains a discussion and a data map of the Nation, divided into regions and States, for several of the key economic indicators. In general, the discussions and maps focus on percent changes in the indicators between the year-ago and the current quarter.

The States—has 51 sections, one for each State and the District of Columbia. Each State section has two main subsections:

1. **Highlights.** This subsection contains a brief discussion and a summary table. The discussion summarizes percent changes in the key

economic indicators for the State between the year-ago quarter and the current quarter, and compares these percent changes with the corresponding changes for the Nation. The table shows the underlying data.

2. **Analysis.** This subsection contains a discussion, a bar chart, a table, and line charts for each of the following indicators and their components: (a) personal income, (b) consumer prices, if available (no line charts), (c) labor force, (d) commercial banking, and (e) construction. This subsection also contains a discussion and a table for retail sales, if available, and a table for business incorporations and failures. In general, the discussions and bar charts analyze percent changes in the above indicators and their components for the State between the year-ago quarter and the current quarter, and compare these percent changes with the corresponding changes for the Nation. In general, the tables show State and national data for the current quarter and the year-ago quarter, and State data for the quarter preceding the current quarter and the corresponding year-ago quarter. The tables also show State and national percent changes between the year-ago quarter and the current quarter, and between the quarter preceding the year-ago quarter and the quarter preceding the current quarter. The line charts show the movements over time of quarterly State and national data.

NATIONAL-REGIONAL OVERVIEW

Nation

In 1978:IV, **gross national product** (GNP) adjusted for price changes, that is, real output, increased 6.9 percent, according to revised estimates of April 19, 1979. This increase compared with an increase of 2.6 percent in 1978:III. (These estimates are at seasonally adjusted annual rates.) The higher rate of growth in 1978:IV was largely attributable to final sales, which increased 7.2 percent, compared with 3.7 percent in 1978:III. All major components of final sales except government purchases increased more in 1978:IV than in 1978:III. Inventory investment again held down the increase in GNP, but less than in the third quarter.

In 1978:IV, changes in real GNP, final sales, and change in business inventories were dominated by changes in motor vehicles output. Motor vehicle production accounted for almost the entire 1978:IV acceleration in GNP. GNP excluding motor vehicle production increased about 4.5 to 5.0 percent in both 1978:III and 1978:IV.

In 1979:I, **personal income** increased about 2.5 percent, compared with an increase of 3.3 percent in 1978:IV and 2.9 percent in 1978:III (seasonally adjusted, not at annual rates). Roughly two-thirds of the deceleration from 1978:IV to 1979:I was traceable to proprietors' income, and most of the remainder was due to personal contributions for social insurance. The deceleration in proprietors' income was mainly in farm income, which showed little change in 1979:I, in contrast with a large increase in 1978:IV. A major factor in the swing was Federal payments to farmers, which declined in 1979:I after increasing substantially in 1978:IV. The deceleration in wages and salaries was small. In private service-type industries, there would have been a deceleration had it not been for the increase in the minimum wage from \$2.65 to \$2.90 per hour and the expansion of coverage under the Fair Labor Standards Act. The changes became effective in January and added \$2 billion to total payrolls. In government, the deceleration reflected last October's Federal pay raise, which had added to the 1978:IV increase. To arrive at personal income, personal contributions to social insurance are deducted from wage and salary disbursements, proprietors' income, and other components of personal income. These contributions increased about 9.3 percent in 1979:I, compared with 2.3 percent in 1978:IV. The step-up was due to an increase in the social security tax rate from 6.05 to 6.13 percent and an increase in the taxable wage base from \$17,700 to \$22,900.

If the effects of the Federal payments to farmers, the increase in the minimum wage, the Federal pay raise, and the tax rate and base changes relating to personal contributions for social insurance are excluded, personal income so adjusted would have increased about 0.3 percentage point less rapidly in 1979:I than in 1978:IV, instead of increasing about 0.8 percentage point less rapidly.

Civilian employment increased 1.0 million from 1978:IV to 1979:I, compared with 0.9 million in 1978:IV. The increase in the **labor force**—1.0 million—was one-fourth larger than in 1978:IV. With the increase in the labor force equaling the increase in civilian employment, the number of **unemployed** was unchanged from 1978:IV to 1979:I, at 5.9 million. The **unemployment rate** in February and March 1979 was 5.7 percent, compared with 5.8 percent in both January 1979 and 1978:IV, when the quarterly rate was the lowest since 1974:III. The percent of the population that was employed increased from 59.0 percent in 1978:IV to a record 59.4 percent in 1979:I.

In both January and February 1979, the **Consumer Price Index** increased more than 10 percent (at a seasonally adjusted annual rate). These increases were larger than most of the monthly increases in 1978. The price acceleration was sharp in food, especially meat and fruits and vegetables, and in energy, especially gasoline and electricity. Gasoline prices have begun to reflect the increases in crude oil prices due to OPEC's price actions last December, the shortages caused by the cutoff in the production of Iranian oil, and most recently, price control regulations that allow refiners to redistribute toward gasoline the increased refining costs they pass on.

Residential housing activity declined in 1979:I. It would appear that severe weather as well as financial factors contributed—the former probably more than the latter. **Housing starts** declined sharply in January and February, from about 2 million starts a month (at a seasonally adjusted annual rate) during most of 1978 to 1.7 million in January and 1.4 million in February. The regional distribution of the declines indicates that they were correlated with the incidence of the severe weather, but that other factors were at work as well. In March 1979, housing starts rebounded to 1.8 million, mainly due to improving weather. The number of **building permits** authorized for new private housing units weakened in January and February; they averaged about 1.3 million units (at a seasonally adjusted annual rate), after ranging between 1.6 and 1.7 million units per month during the second half of 1978. In March 1979, the number of permits increased to 1.6 million.

Regions and States 1977:IV to 1978:IV

Personal Income

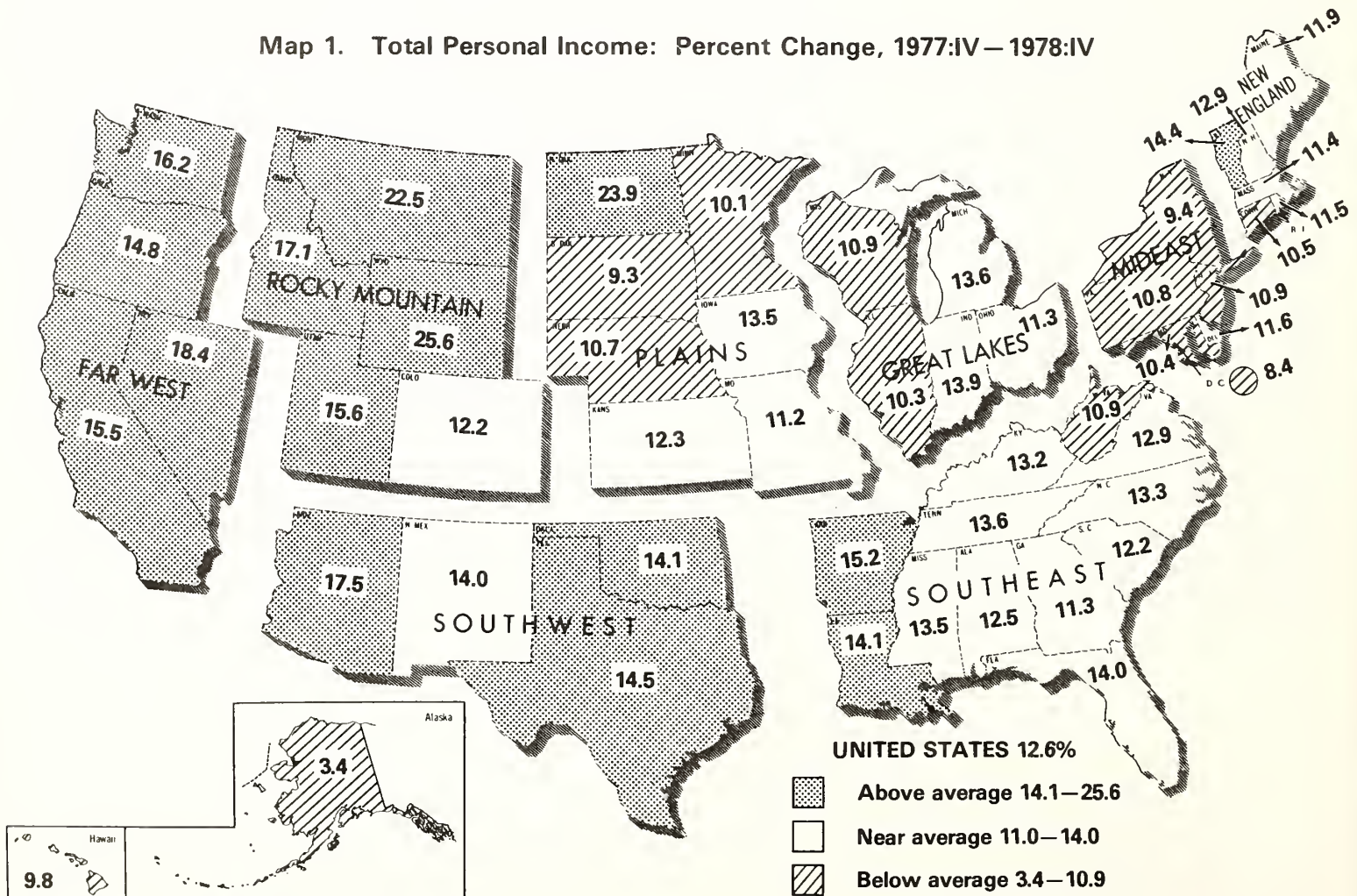
State personal income increased 12.6 percent. Real income increased about 3.7 percent, as the Consumer Price Index increased 8.9 percent. The increase in current-dollar personal income exceeded the national increase in consumer prices by at least 0.4 percentage point in all States except Alaska and the District of Columbia, where personal income increased 3.4 and 8.4 percent, respectively.

Nearly all of the 15 States with above-average increases in total personal income were in the West and South, including all States in the Far West region, all States in the Rocky Mountain region except Colorado, and all States in the Southwest region except New Mexico (map 1). Since the last national business cycle peak in 1973:IV, most western and southern States have registered relatively large increases in total personal income. From 1977:IV to 1978:IV, increases in farm income contributed strongly to the above-average increases in total personal income in North Dakota, Montana, Idaho, and Arkansas. Mining wage and salary disbursements (payrolls) were particularly strong in North Dakota, Montana, Wyoming, and Texas. Construction payrolls were strong in each of the above-average States except Utah and Arkansas,

and manufacturing payrolls were strong in most of the States, in particular, in California, Washington, and Vermont. Reflecting strength in the commodity-producing industries, payrolls in private service-type industries increased at above-average rates in all of the above-average States except North Dakota.

Seven of the 13 States (and the District of Columbia) with below-average increases in total personal income were in the Northeast-Great Lakes manufacturing belt, including all States in the Mideast region except Delaware. Declines in farm income contributed to the below-average increases in total personal income in Wisconsin, Minnesota, and South Dakota. Manufacturing payrolls were weak in most of the below-average States, in particular, in New Jersey, Illinois, New York, and Connecticut. Construction payrolls declined in West Virginia and Alaska and increased at rates below the national average in all of the remaining below-average States except New Jersey, Wisconsin, Minnesota, and Hawaii. Private service-type industry payrolls were weak in most of the below-average States.

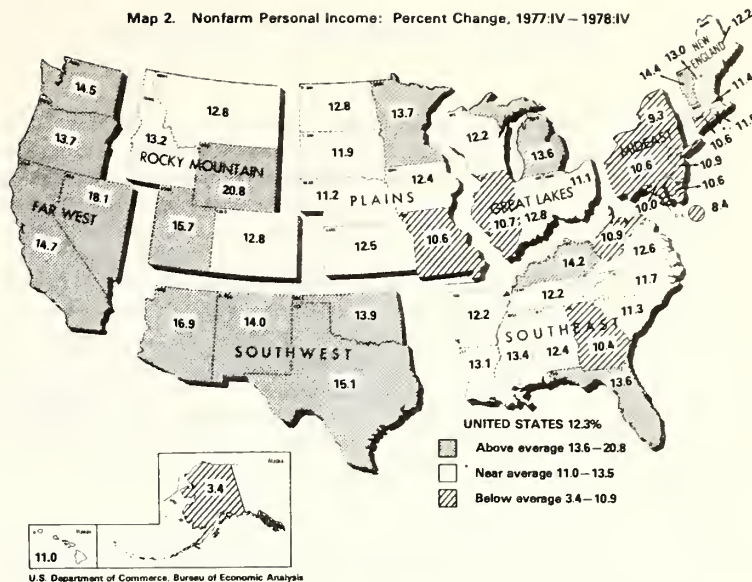
Map 1. Total Personal Income: Percent Change, 1977:IV – 1978:IV



Nonfarm Income

Nationally, nonfarm increased 12.3 percent. The 15 States with above-average increases in nonfarm income from 1977:IV to 1978:IV were mainly in the West and South, including all of the States in the Far West and Southwest regions (map 2). The rapid growth in the 15 States is a continuation of a trend: Since the last national business cycle peak in 1973:IV, all of the States except Michigan had above-average increases in nonfarm income. Eight of the 11 States (and the District of Columbia) with below-average increases in nonfarm income from 1977:IV to 1978:IV were in the Northeast-Great Lakes manufacturing belt including all of the States in the Mideast region. The slow growth in the 11 States is also a continuation of a trend: Since the last national cyclical peak in 1973:IV, all of the States except Alaska and West Virginia had below-average increases in nonfarm income.

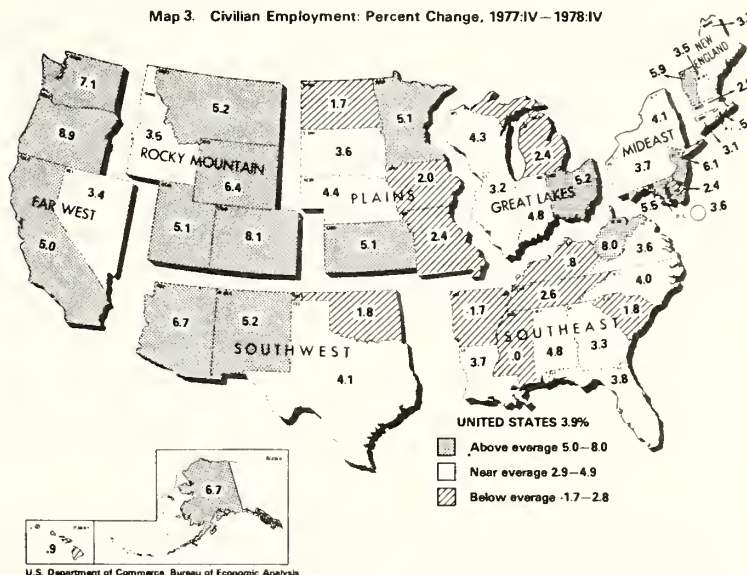
Map 2. Nonfarm Personal Income: Percent Change, 1977:IV—1978:IV



Civilian Employment

Nationally, civilian employment increased 3.9 percent. Increases were registered in all States except Arkansas and Mississippi (map 3). Nine of the 17 States with above-average increases were in the Far West, Rocky Mountain, and Southwest regions. The eight remaining States were geographically widespread. Nearly all of the 13 States with below-average increases were in the Southeast, Plains, and Northeast-Great Lakes manufacturing belt.

Map 3. Civilian Employment: Percent Change, 1977:IV—1978:IV

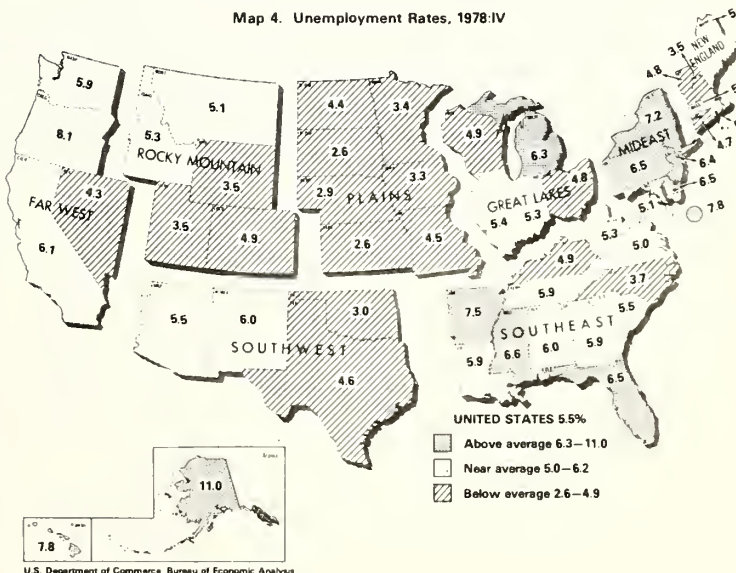


Unemployment Rates

Nationally, the unemployment rate in 1978:IV was 5.5 percent. Four of the 10 States (and the District of Columbia) with above-average rates were in the Mideast, where rates have been relatively high in the seventies (map 4). Other States with high rates in 1978:IV were Alaska, Hawaii, Arkansas, Mississippi, Florida, and Michigan. The 20 States with below-average rates were concentrated in the Plains and Rocky Mountain regions, where unemployment rates have been relatively low in the seventies, and in New England, where rates had been relatively high until recently.

From 1977:IV to 1978:IV, the national unemployment rate declined 0.7 percentage point. Ten States—including five in New England—registered declines of at least 1.4 percentage points—double the national decline. In 4 of the 10 States—Washington, Arizona, New Jersey, and Vermont—the decline mainly reflected strength in employment growth; and in the remaining six—Rhode Island, Maine, Nevada, Massachusetts, New Hampshire, and North Carolina—the decline mainly reflected weakness in labor force growth. From 1977:IV to 1978:IV, six States registered unemployment rate increases of 0.5 percentage point or more. Alaska and Arkansas had the largest increases—1.7 and 1.3 percentage points, respectively. In three of the six States—Arkansas, Hawaii, and Tennessee—the increase mainly reflected weakness in employment growth; and in the remaining three—Alaska, Wisconsin, and Virginia—the increase mainly reflected strength in labor force growth.

Map 4. Unemployment Rates, 1978:IV



Valuation of Construction Contracts

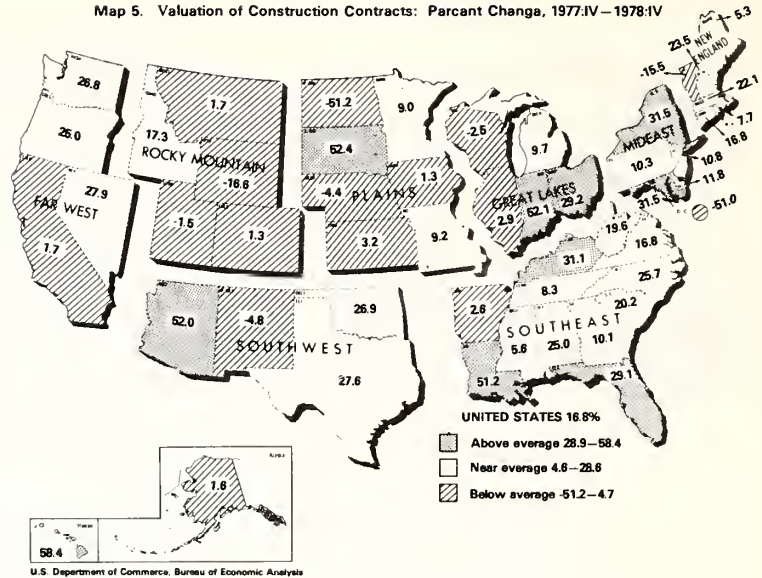
Nationally, the total valuation of construction contracts increased 16.8 percent. Most of the 10 States with above-average increases were in the Mideast, Southeast, and Great Lakes regions; the others were Hawaii, South Dakota, and Arizona (map 5). The average increase for the 10 States was 41.9 percent. In many of these States, the valuation of most major types of construction contracts increased faster than nationally. Strength was especially noteworthy in nonbuilding, where all but two of the States had increases that were well above those registered in the Nation. In South Dakota, Maryland, Indiana, and Arizona, the valuation of nonbuilding contracts increased by more than 125 percent. The increase in the valuation of nonresidential contracts was strong in seven of the above-average States. In the residential market, 6 of the 10 States had above-average increases in the valuation of addition and alteration contracts, and six had above-average increases in the valuation of residential housekeeping contracts.

Most of the 15 States (and the District of Columbia) with below-average increases in the total valuation of contracts were in the West, mainly in the Rocky Mountain and Plains regions and in adjacent States; the others were Alaska, California, Vermont, and the District of Columbia. On average, the total valuation of contracts for this group of States declined 8.2 percent. In many of these States, the valuation of most major types of construction contracts increased more slowly than nationally. Weakness was especially noteworthy in nonbuilding contracts, where all of these States except Montana had declines. In North Dakota, the District of Columbia, Wyoming, and Vermont, the decline in the valuation of nonbuilding contracts exceeded 50 percent. The valuation of nonresidential contracts declined in eight of the States and increased more slowly than nationally in five. The valuation of residential housekeeping contracts declined in three of the States and increased more slowly than nationally in six.

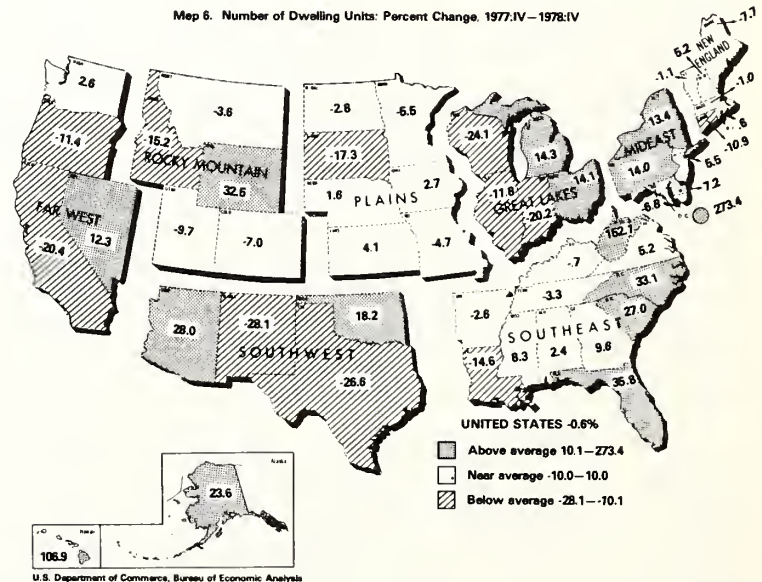
Number of Dwelling Units Started

Nationally, the number of dwelling units started declined 0.6 percent, remaining at a high level in 1978:IV. Many of the 14 States (and the District of Columbia) with above-average increases were in the Mideast, Southeast, and Great Lakes regions; the others were Alaska, Hawaii, Arizona, Nevada, Wyoming, and Oklahoma (map 6). Each of the above-average States except Michigan had an increase in the valuation of residential housekeeping contracts that was well above the national average increase. The 11 States with large declines in the number of dwelling units started were geographically widespread. In each of these States, the valuation of residential housekeeping contracts either declined or increased at a rate that was below the national average rate of gain.

Map 5. Valuation of Construction Contracts: Percent Change, 1977:IV—1978:IV



Map 6. Number of Dwelling Units: Percent Change, 1977:IV—1978:IV





Highlights

1977:IV to 1978:IV

Personal income

- Up 12.5% vs. 12.6% in U.S., to \$24.4 billion
- Payrolls up 16.7% in durables manufacturing vs. 15.2% in U.S.
- Payrolls up 15.2% in services vs. 12.7% in U.S.

Employment

- Up 4.8% vs. 3.9% in U.S., to 1.5 million

Unemployment

- Down 9,000, to 96,000
- Rate down to 6.0% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 25.0% vs. 16.8% in U.S., to \$714.3 million
- Valuation of nonbuilding contracts up 99.5% vs. 22.2% in U.S.
- Number of dwelling-unit starts up 2.4% vs. near stability in U.S., to 9,168

TABLE 1.—Summary of Economic Indicators, United States and Alabama Through Fourth Quarter, 1978

| | United States | | | Alabama | | | U.S. | State | U.S. | State |
|--|--|------------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 21,021 | 21,697 | 23,877 | 24,418 | 12.4 | 13.6 | 12.6 | 12.5 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 13,579 | 13,934 | 15,433 | 15,721 | 12.1 | 13.7 | 12.6 | 12.8 |
| Civilian employment (thousands) | 92,442 | 96,010 | 1,443 | 1,432 | 1,502 | 1,501 | 4.1 | 4.1 | 3.9 | 4.8 |
| Unemployment (thousands) | 6,149 | 5,605 | 117 | 105 | 95 | 96 | -9.8 | -19.0 | -8.8 | -8.8 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 7.5 | 6.8 | 5.9 | 6.0 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 7,552 | 7,847 | 8,858 | n.a. | 16.3 | 17.3 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 10,889 | 11,701 | 12,209 | n.a. | 11.5 | 12.1 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 649,484 | 571,553 | 791,308 | 714,293 | 14.5 | 21.8 | 16.8 | 25.0 |
| Dwelling units started (number) | 445,772 | 443,075 | 8,995 | 8,951 | 10,327 | 9,168 | 1.0 | 14.8 | -6 | 2.4 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 1,214 | 1,051 | 1,222 | n.a. | 8.2 | .7 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 42 | 20 | 25 | n.a. | -9.5 | -40.5 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.5 percent from 1977:IV to 1978:IV, a fraction less than nationally (table 2). In 1978:IV, Alabama's personal income totaled \$24.4 billion, up \$2.7 billion since 1977:IV.

Nonfarm personal income increased 12.4 percent from year to year, only a fraction more than nationally. In contrast, since the most recent national business cycle peak in 1973:IV, Alabama's economy has grown much more rapidly than the Nation's; the increase in the State's nonfarm income was 12 percent more than nationally, ranking Alabama 23rd among all States.

Wage and salary disbursements (payrolls) in the State increased 12.8 percent from 1977:IV to 1978:IV, compared with 12.6 percent nationally. In 1978:IV, they totaled \$15.7 billion, up \$1.8 billion since 1977:IV.

Government payrolls increased 10.1 percent from year to year, 3.2 percentage points more than nationally. The increase in State and local government payrolls in Alabama was especially large—13.9 percent; the State's increase was second to Mississippi's 15.3-percent increase and was twice the national gain. In contrast, Federal Government payrolls increased only 5.4 percent in the State versus 7.1 percent nationally.

Manufacturing payrolls increased 12.5 percent in the State, compared with a 13.3-percent national increase. Payrolls in nondurables manufacturing increased only 7.8 percent versus 10.0 percent nationally, and those in durables manufacturing increased 16.7 percent, 1.5 percentage points more than nationally.

Within Alabama's private service-type industry group, payrolls in transportation-communication-public utilities increased 15.8 percent versus 11.3 percent nationally, and services payrolls increased 15.2 percent versus 12.7 percent nationally. The State's payroll increase in the transportation component was the eighth largest in the Nation. In contrast, payrolls in finance-insurance-real estate increased 10.0 percent in the State versus 14.1 percent nationally, and trade payrolls increased 9.2 percent versus 13.2 percent; both State payroll increases ranked among the smallest increases in the Nation.

Payrolls in construction increased 17.6 percent in Alabama, 2.5 percentage points less than nationally. Mining payrolls increased 48.5 percent from year to year versus 33.9 percent nationally. Alabama's increase was the sixth largest in the Nation.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 34.8 percent, 4.5 percentage points more than nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]

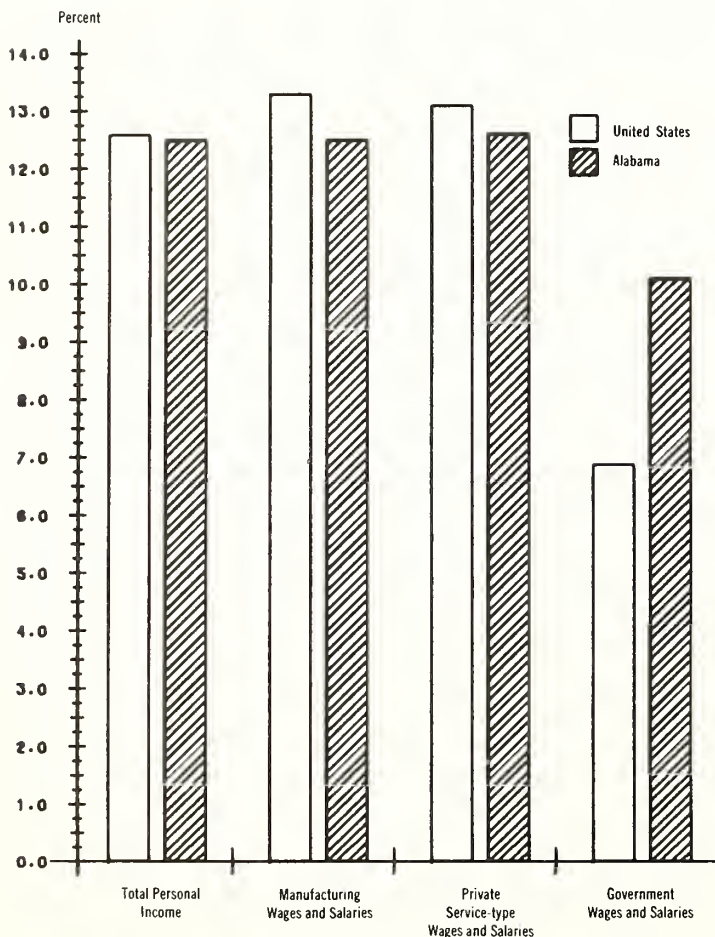


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

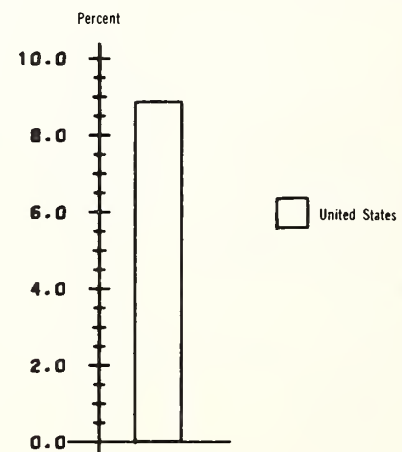


Chart 3.—Total Personal Income
[Seasonally adjusted]

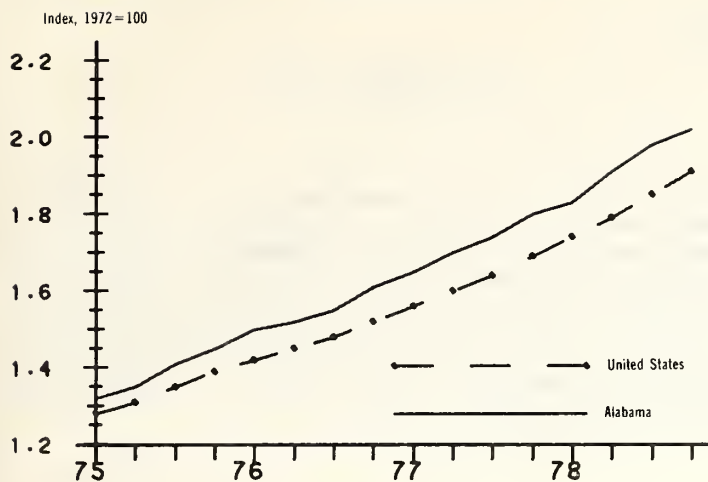


Chart 4.—Industrial Composition of Wages and Salaries: Alabama
[Seasonally adjusted]

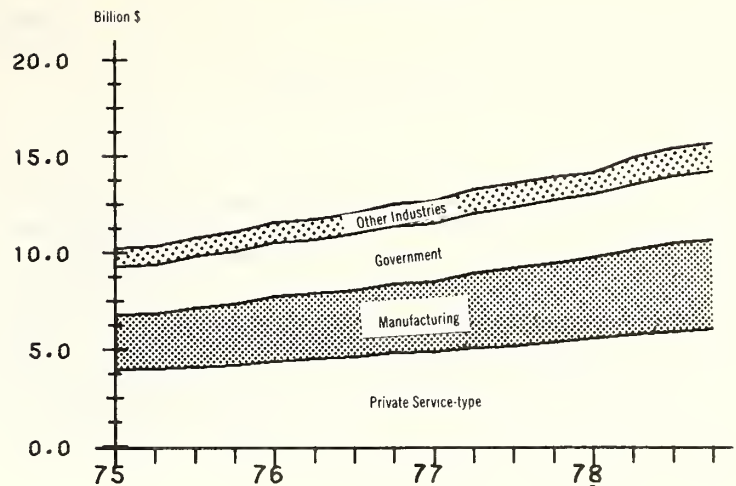


TABLE 2.—Personal Income, United States and Alabama Through Fourth Quarter, 1978

| | United States | | | Alabama | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 21,021 | 21,697 | 23,877 | 24,418 | 12.4 | 13.6 | 12.6 | 12.5 |
| Farm personal income | 31,224 | 39,451 | 318 | 467 | 496 | 561 | 47.9 | 56.0 | 26.3 | 20.2 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 20,703 | 21,230 | 23,381 | 23,857 | 11.9 | 12.9 | 12.3 | 12.4 |
| Total personal income | 1,583,508 | 1,782,519 | 21,021 | 21,697 | 23,877 | 24,418 | 12.4 | 13.6 | 12.6 | 12.5 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 13,579 | 13,934 | 15,433 | 15,721 | 12.1 | 13.7 | 12.6 | 12.8 |
| Other labor income | 96,016 | 111,719 | 1,318 | 1,372 | 1,582 | 1,608 | 17.0 | 20.0 | 16.4 | 17.3 |
| Proprietors' income | 105,953 | 125,995 | 1,377 | 1,535 | 1,686 | 1,798 | 21.5 | 22.4 | 18.9 | 17.1 |
| Farm | 23,636 | 31,044 | 254 | 402 | 428 | 491 | 66.6 | 68.4 | 31.3 | 22.1 |
| Nonfarm | 82,317 | 94,951 | 1,123 | 1,133 | 1,257 | 1,307 | 12.8 | 12.0 | 15.3 | 15.3 |
| Dividends, interest, and rent | 214,992 | 242,442 | 2,066 | 2,111 | 2,291 | 2,351 | 12.3 | 10.9 | 12.8 | 11.4 |
| Transfer payments | 215,944 | 233,750 | 3,353 | 3,421 | 3,673 | 3,722 | 8.8 | 9.6 | 8.2 | 8.8 |
| State unemployment insurance benefits | 11,128 | 7,753 | 141 | 146 | 111 | 95 | -24.0 | -21.2 | -30.3 | -34.8 |
| Less: personal contributions | 62,212 | 71,610 | 947 | 959 | 1,095 | 1,100 | 14.8 | 15.7 | 15.1 | 14.7 |
| Plus: residence adjustment | -401 | -473 | 275 | 284 | 307 | 317 | — | — | — | — |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 13,579 | 13,934 | 15,433 | 15,721 | 12.1 | 13.7 | 12.6 | 12.8 |
| Farm | 7,176 | 7,939 | 62 | 63 | 66 | 68 | 8.5 | 6.3 | 10.6 | 8.0 |
| Nonfarm | 1,006,040 | 1,132,757 | 13,517 | 13,870 | 15,367 | 15,653 | 12.1 | 13.7 | 12.6 | 12.9 |
| Mining | 14,048 | 18,813 | 239 | 216 | 312 | 321 | 26.5 | 30.9 | 33.9 | 48.5 |
| Construction | 55,648 | 66,858 | 904 | 876 | 1,020 | 1,030 | 19.1 | 12.8 | 20.1 | 17.6 |
| Manufacturing | 276,112 | 312,970 | 4,011 | 4,100 | 4,599 | 4,613 | 12.1 | 14.6 | 13.3 | 12.5 |
| Durable goods | 176,216 | 203,053 | 2,071 | 2,189 | 2,518 | 2,553 | 13.7 | 21.6 | 15.2 | 16.7 |
| Nondurable goods | 99,896 | 109,917 | 1,940 | 1,911 | 2,081 | 2,059 | 9.4 | 7.3 | 10.0 | 7.8 |
| Private service-type | 455,764 | 515,348 | 5,225 | 5,423 | 5,955 | 6,104 | 12.8 | 14.0 | 13.1 | 12.6 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 944 | 990 | 1,115 | 1,147 | 10.4 | 18.1 | 11.3 | 15.8 |
| Wholesale and retail trade | 170,888 | 195,035 | 2,120 | 2,192 | 2,360 | 2,412 | 13.6 | 11.3 | 14.1 | 10.0 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 586 | 610 | 653 | 666 | 14.1 | 11.4 | 13.2 | 9.2 |
| Services | 153,840 | 173,396 | 1,575 | 1,631 | 1,828 | 1,879 | 12.6 | 16.1 | 12.7 | 15.2 |
| Government | 201,252 | 215,083 | 3,101 | 3,217 | 3,437 | 3,541 | 7.4 | 10.8 | 6.9 | 10.1 |
| Federal | 68,176 | 73,003 | 1,379 | 1,456 | 1,481 | 1,535 | 7.3 | 7.4 | 7.1 | 5.4 |
| State and local | 133,076 | 142,080 | 1,722 | 1,761 | 1,956 | 2,006 | 7.5 | 13.6 | 6.8 | 13.9 |
| Other | 3,216 | 3,685 | 39 | 39 | 45 | 45 | 18.7 | 17.2 | 14.6 | 16.0 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Alabama Through Fourth Quarter, 1978¹

| | United States | | | Alabama | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Alabama's **civilian labor force** increased 3.9 percent versus 3.1 percent nationally (table 4). **Total employment** increased 4.8 percent versus 3.9 percent nationally, to 1.5 million.

With employment increasing by 69,000 and the labor force increasing by 60,000, the number of **unemployed** declined by 9,000, to 96,000. Alabama's **unemployment rate** declined 0.8 percentage point, to 6.0 percent of the labor force. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among Alabama's major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 6.3 percent, ranged from 6.7 percent in Mobile to 5.5 percent in Montgomery. In Birmingham, the State's largest metropolitan area, the preliminary unemployment rate was 5.6 percent. From December 1977 to December 1978, the unemployment rate declined 1.0 percentage point in Tuscaloosa, to 5.9 percent, compared with a decline of only 0.3 percentage point statewide; Tuscaloosa's decline was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Alabama

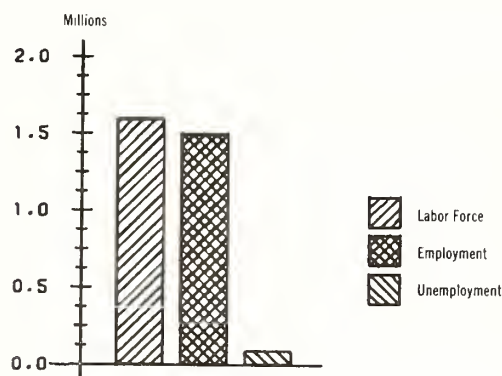


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

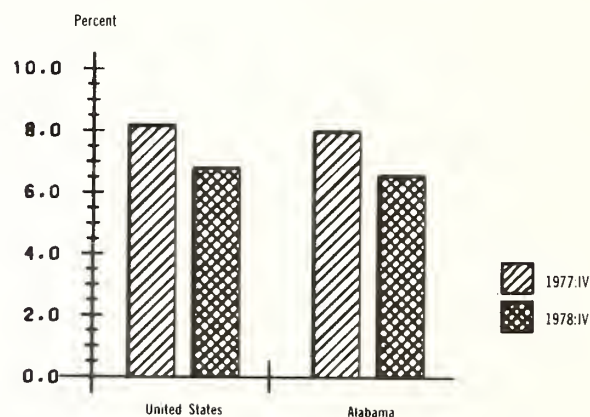


TABLE 4.—Labor Force, United States and Alabama Through Fourth Quarter, 1978

| | United States | | | Alabama | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,278 | 1,276 | 1,304 | 1,304 | 4.3 | 2.0 | 4.2 | 2.2 |
| Mining | 787 | 899 | 15 | 12 | 16 | 16 | 8.2 | 11.0 | 14.2 | 37.3 |
| Construction | 4,032 | 4,488 | 81 | 76 | 82 | 79 | 10.4 | 1.1 | 11.3 | 3.4 |
| Manufacturing | 19,986 | 20,722 | 358 | 357 | 358 | 357 | 3.1 | .0 | 3.7 | .2 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 66 | 67 | 70 | 70 | 3.8 | 5.4 | 4.4 | 4.5 |
| Wholesale and retail trade | 19,152 | 20,015 | 261 | 264 | 266 | 270 | 5.3 | 1.7 | 4.5 | 2.1 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 57 | 57 | 58 | 58 | 4.8 | 1.9 | -2.0 | 2.3 |
| Services | 15,539 | 16,215 | 179 | 180 | 182 | 183 | 4.6 | 1.7 | 4.4 | 1.6 |
| Government | 15,434 | 15,656 | 262 | 265 | 273 | 272 | 2.1 | 4.0 | 1.4 | 2.6 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,560 | 1,537 | 1,597 | 1,597 | 3.2 | 2.3 | 3.1 | 3.9 |
| Total employed | 92,442 | 96,010 | 1,443 | 1,432 | 1,502 | 1,501 | 4.1 | 4.1 | 3.9 | 4.8 * |
| Total unemployed | 6,149 | 5,605 | 117 | 105 | 95 | 96 | -9.8 | -19.0 | -8.8 | -8.8 |
| Percent unemployed | 6.2 | 5.5 | 7.5 | 6.8 | 5.9 | 6.0 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

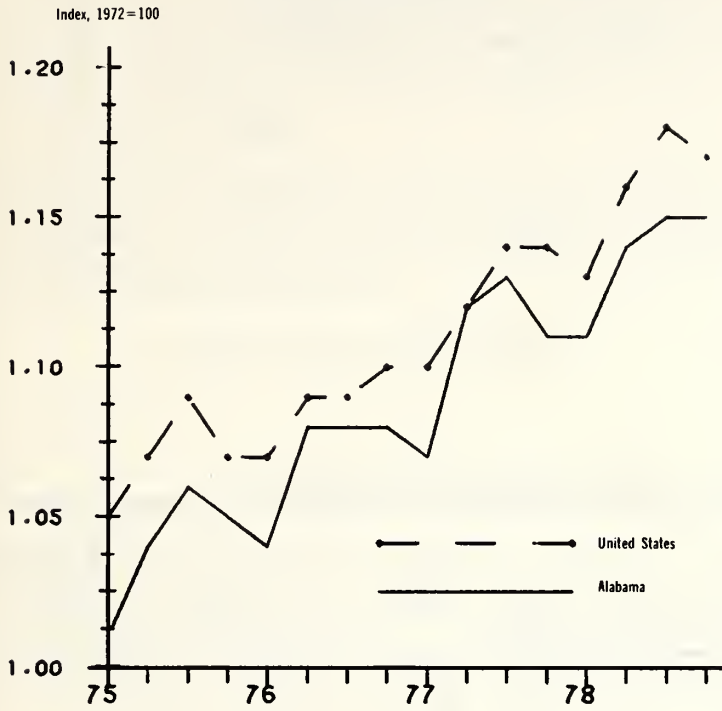


Chart 8.—Civilian Employment

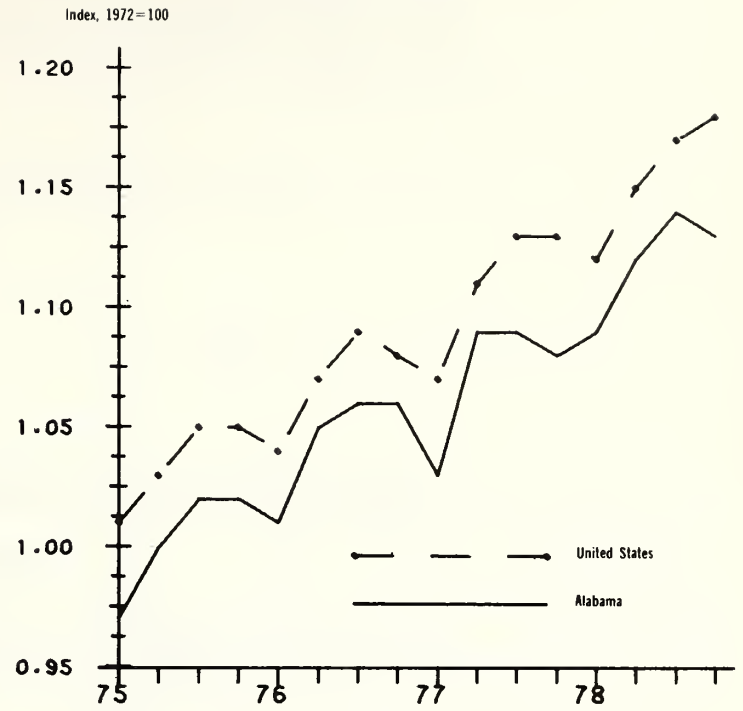


Chart 9.—Unemployment Rate

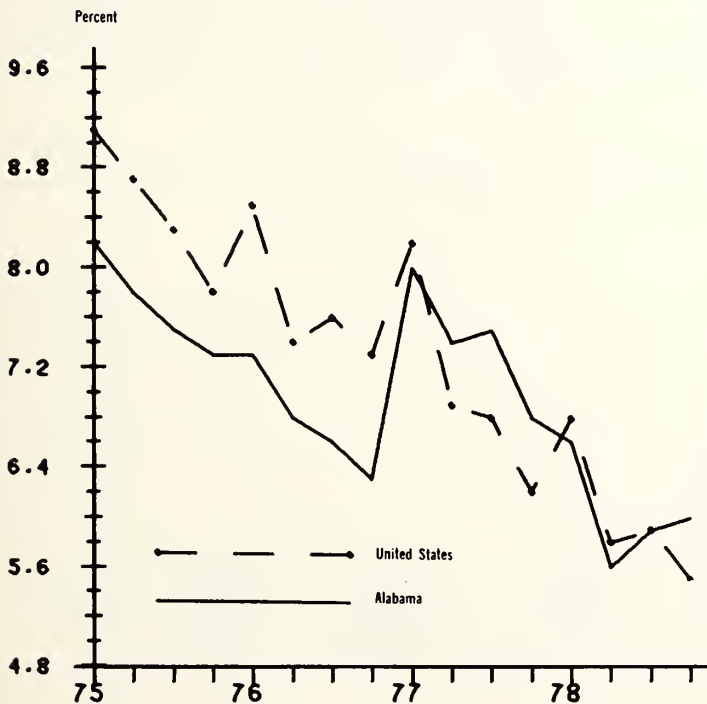
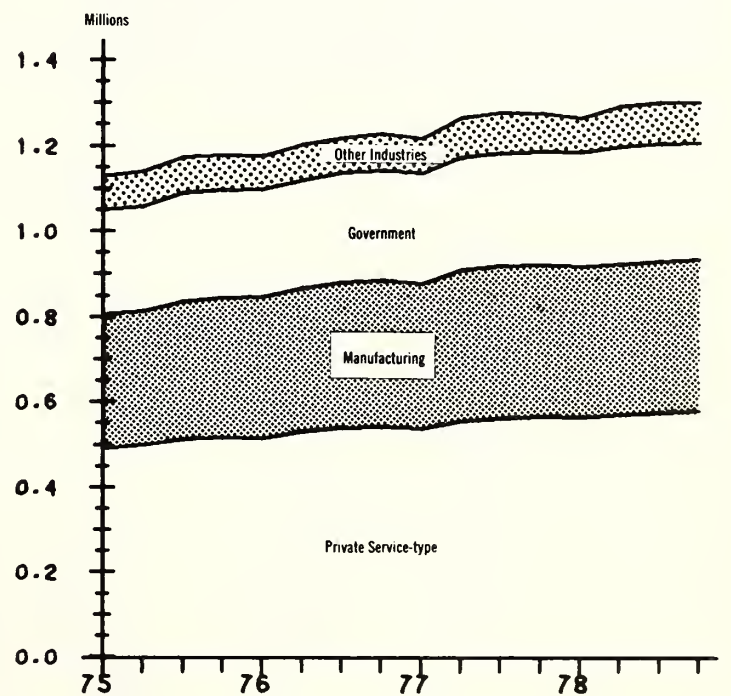


Chart 10.—Industrial Composition of Nonagricultural Employment: Alabama



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Alabama Through Fourth Quarter, 1978

| | United States | | | Alabama | | | U.S. | State | U.S. | State |
|------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 7,552 | 7,847 | 8,858 | n.a. | 16.3 | 17.3 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 2,086 | 2,168 | 2,435 | n.a. | 14.2 | 16.7 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 2,629 | 2,741 | 3,095 | n.a. | 20.2 | 17.7 | --- | --- |
| Real estate | 177,935 | n.a. | 2,099 | 2,179 | 2,618 | n.a. | 19.9 | 24.7 | --- | --- |
| Residential: | 101,236 | n.a. | 891 | 918 | 1,124 | n.a. | 21.3 | 26.1 | --- | --- |
| Farms | 7,731 | n.a. | 186 | 192 | 206 | n.a. | 10.7 | 10.9 | --- | --- |
| Other | 68,968 | n.a. | 1,022 | 1,070 | 1,287 | n.a. | 19.0 | 26.0 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 307 | 276 | 280 | n.a. | 6.8 | -8.5 | --- | --- |
| Other | 69,947 | n.a. | 431 | 483 | 429 | n.a. | 8.0 | -5 | --- | --- |
| Total deposits | 925,511 | n.a. | 10,889 | 11,701 | 12,209 | n.a. | 11.5 | 12.1 | --- | --- |
| Demand | 377,683 | n.a. | 3,988 | 4,490 | 4,393 | n.a. | 10.2 | 10.1 | --- | --- |
| Time and savings | 547,828 | n.a. | 6,901 | 7,211 | 7,817 | n.a. | 12.3 | 13.3 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 25.0 percent (\$142.7 million), to \$714.3 million (table 6). The U.S. rate of gain was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the real increase in the total valuation of contracts in Alabama was 12.0 percent versus 3.8 percent nationally.

Nonbuilding contracts increased 99.5 percent in valuation, compared with 22.2 percent nationally. Alabama's increase was one of the largest in the Nation. The valuation of the street and highway component of nonbuilding contracts increased 116.0 percent in the State, compared with a 16.3-percent national decline.

Residential housekeeping contracts increased 21.8 percent in valuation, compared with 15.6 percent nationally. The number of dwelling units started increased 2.4 percent (212), to 9,168. Nationally, the number of dwelling units started remained virtually unchanged at a high level. Residential housekeeping additions and alterations increased 28.2 percent in valuation, almost twice as much as nationally.

Nonresidential contracts, in contrast, declined 20.0 percent in valuation in the State, compared with a 15.8-percent national increase. Alabama's decline was one of the largest in the Nation.

Chart 14.—Construction Contracts—Total Valuation

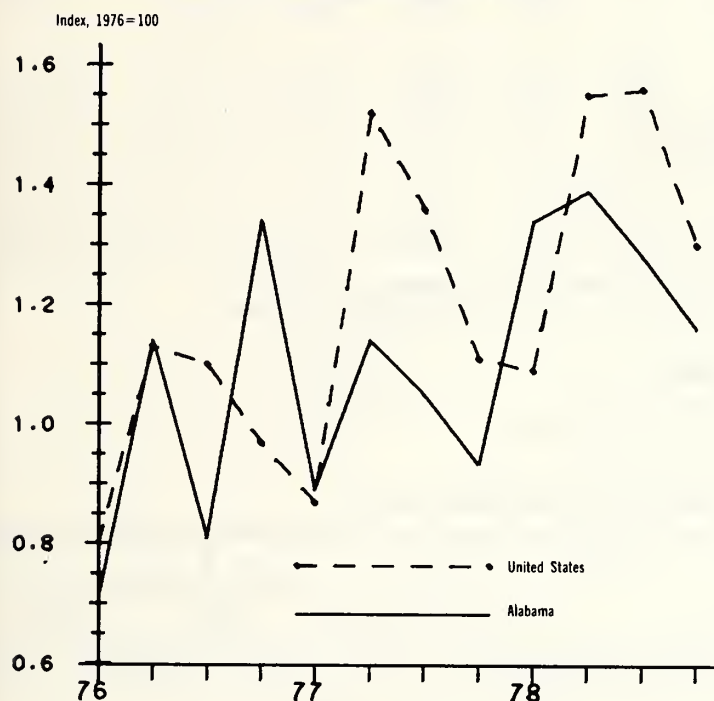


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Alabama

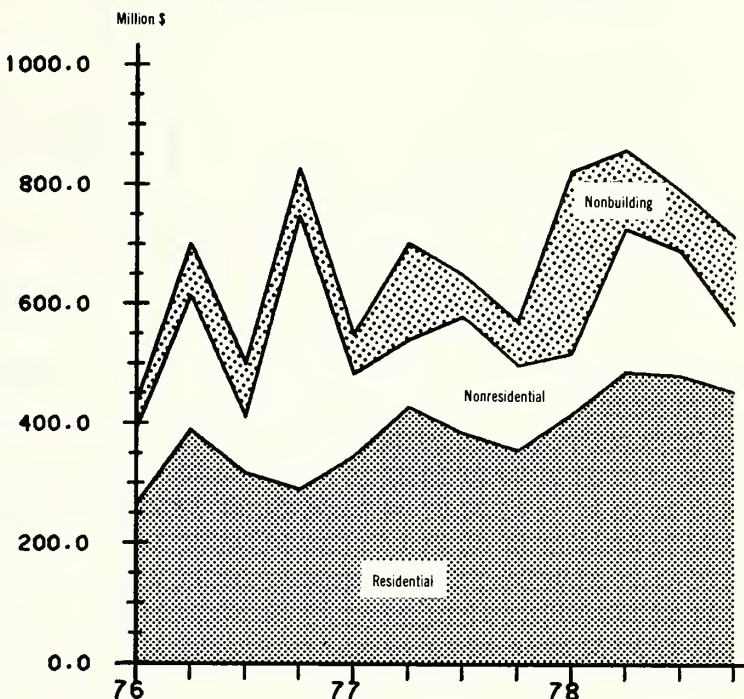


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

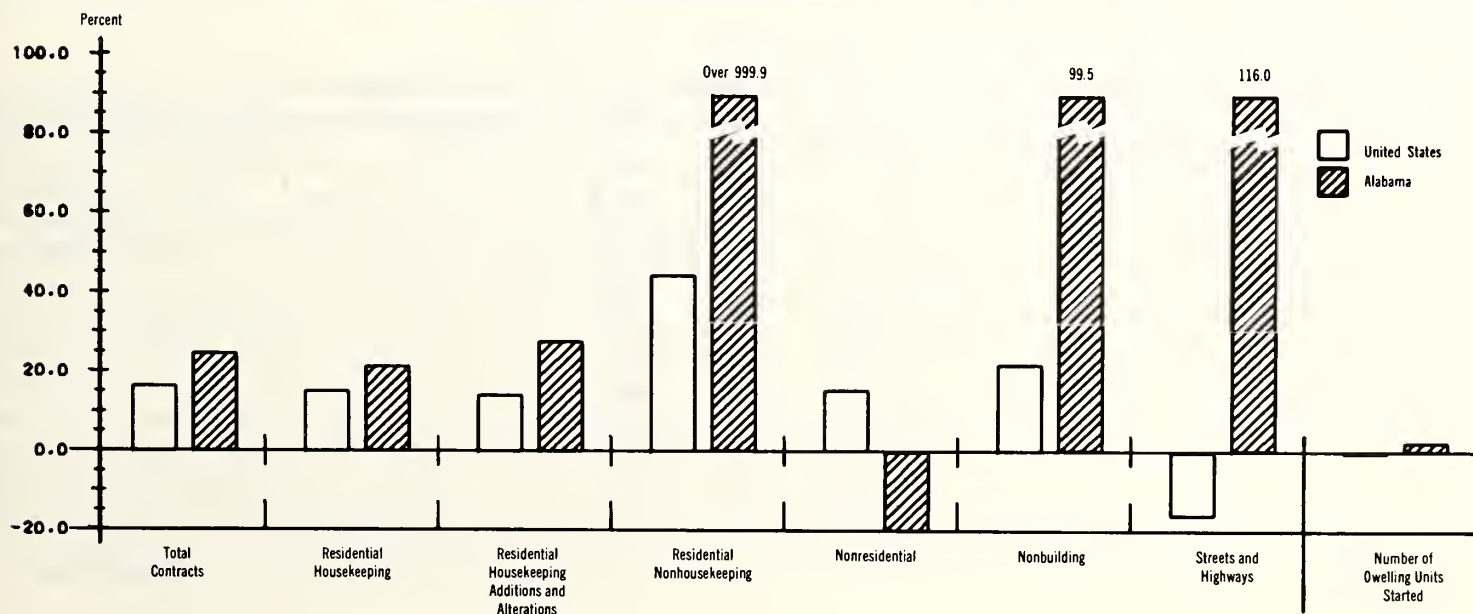


TABLE 6.—Construction Contracts, United States and Alabama Through Fourth Quarter, 1978¹

| | United States | | | Alabama | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|----------------|----------------|----------------|----------------|-----------------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 649,484 | 571,553 | 791,308 | 714,293 | 14.5 | 21.8 | 16.8 | 25.0 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 131,068 | 113,650 | 156,567 | 145,678 | 16.8 | 19.5 | 14.6 | 28.2 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,024 | 976 | 995 | 906 | 4.4 | -2.8 | -9.3 | -7.2 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 518,416 | 457,903 | 634,741 | 568,615 | 14.0 | 22.4 | 17.4 | 24.2 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 18,948 | 17,444 | 24,100 | 18,356 | 10.8 | 27.2 | 10.2 | 5.2 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 259 | 259 | 251 | 273 | -5.1 | -3.1 | -4.3 | 5.4 |
| Number of dwelling units | 445,772 | 443,075 | 8,995 | 8,951 | 10,327 | 9,168 | 1.0 | 14.8 | -6 | 2.4 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 251,558 | 242,499 | 319,721 | 295,464 | 15.3 | 27.1 | 15.6 | 21.8 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 12,505 | 12,339 | 15,070 | 13,783 | 10.3 | 20.5 | 10.7 | 11.7 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 3 | 2 | 6 | 4 | -10.0 | 100.0 | -4 | 100.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 2,141 | 1,097 | 6,738 | 14,165 | 9.4 | 214.7 | 44.8 | *** |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 97 | 51 | 172 | 304 | -7 | 77.7 | 24.7 | 490.9 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 555 | 498 | 454 | 393 | -2.5 | -18.2 | -12.0 | -21.1 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 196,138 | 141,073 | 207,463 | 112,857 | 27.6 | 5.8 | 15.8 | -20.0 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 6,346 | 5,054 | 8,858 | 4,270 | 12.2 | 39.6 | 8.9 | -15.5 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 207 | 217 | 284 | 236 | 22.4 | 37.2 | -9.1 | 8.8 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 68,579 | 73,234 | 100,819 | 146,129 | -1 | 47.0 | 22.2 | 99.5 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 53 | 65 | 90 | 70 | 9.3 | 69.8 | -17.8 | 7.7 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 6,912 | 35,470 | 29,130 | 76,607 | 3.0 | 321.4 | -16.3 | 116.0 |

***Percent change greater than 999.9.

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Alabama are not available.

TABLE 7.—Retail Sales, United States and Alabama Through Fourth Quarter, 1978

| | United States | | | Alabama | | | U.S. | State | U.S. | State |
|---------------------------|--|----------------|-------------|-------------|-------------|-------------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Alabama Through Fourth Quarter, 1978

| | United States | | | Alabama | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------|--------------|--------------|--------------|-------------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 1,214 | 1,051 | 1,222 | n.a. | 8.2 | .7 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 42 | 20 | 25 | n.a. | -9.5 | -40.5 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 10,186 | 5,111 | 6,498 | n.a. | -44.2 | -36.2 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 243 | 256 | 260 | n.a. | -38.4 | 7.0 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 4 | 1 | 1 | n.a. | -10.1 | -75.0 | --- | --- |
| Construction | 319 | n.a. | 9 | 5 | 8 | n.a. | 1.0 | -11.1 | --- | --- |
| Wholesale trade | 191 | n.a. | 4 | 3 | 3 | n.a. | -27.1 | -25.0 | --- | --- |
| Retail trade | 688 | n.a. | 24 | 5 | 12 | n.a. | -4.2 | -50.0 | --- | --- |
| Commercial services | 238 | n.a. | 1 | 6 | 1 | n.a. | -24.0 | .0 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 3.4% vs. 12.6% in U.S., to \$4.5 billion
- Construction payrolls down 29.0% vs. 20.1% gain in U.S.
- Mining payrolls up 47.5% vs. 33.9% in U.S.

Consumer prices

- Anchorage index up to 194.8 in 1978:IV (1967=100)

Employment

- Up 6.7% vs. 3.9% in U.S., to 164,000

Unemployment

- Up 4,000, to 20,000
- Rate up 1.7 percentage points, to 11.0% of labor force, highest rate in Nation and twice the national rate

Construction

- Total valuation of contracts up 1.8% vs. 16.8% in U.S., to \$109 million
- Number of dwelling-unit starts up 23.5% vs. near stability in U.S., to 766

TABLE 1.—Summary of Economic Indicators, United States and Alaska Through Fourth Quarter, 1978

| | United States | | | Alaska | | | U.S. | State | U.S. | State |
|--|--|------------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 4,225 | 4,303 | 4,316 | 4,451 | 12.4 | 2.2 | 12.6 | 3.4 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 3,620 | 3,677 | 3,547 | 3,672 | 12.1 | -2.0 | 12.6 | -2 |
| Civilian employment (thousands)..... | 92,442 | 96,010 | 166 | 153 | 174 | 164 | 4.1 | 4.6 | 3.9 | 6.7 |
| Unemployment (thousands) | 6,149 | 5,605 | 14 | 16 | 18 | 20 | -9.8 | 31.7 | -8.8 | 29.5 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 7.6 | 9.3 | 9.4 | 11.0 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 1,020 | 1,041 | 1,155 | n.a. | 16.3 | 13.1 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 1,515 | 1,519 | 1,667 | n.a. | 11.5 | 10.0 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 164,652 | 107,343 | 285,796 | 109,276 | 14.5 | 73.6 | 16.8 | 1.8 |
| Dwelling units started (number) | 445,772 | 443,075 | 1,163 | 620 | 1,786 | 766 | 1.0 | 53.6 | -6 | 23.5 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 343 | 342 | 335 | n.a. | 8.2 | -2.3 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 0 | 1 | 0 | n.a. | -9.5 | --- | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Anchorage | --- | --- | --- | --- | 190.7 | 194.8 | --- | --- | --- | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

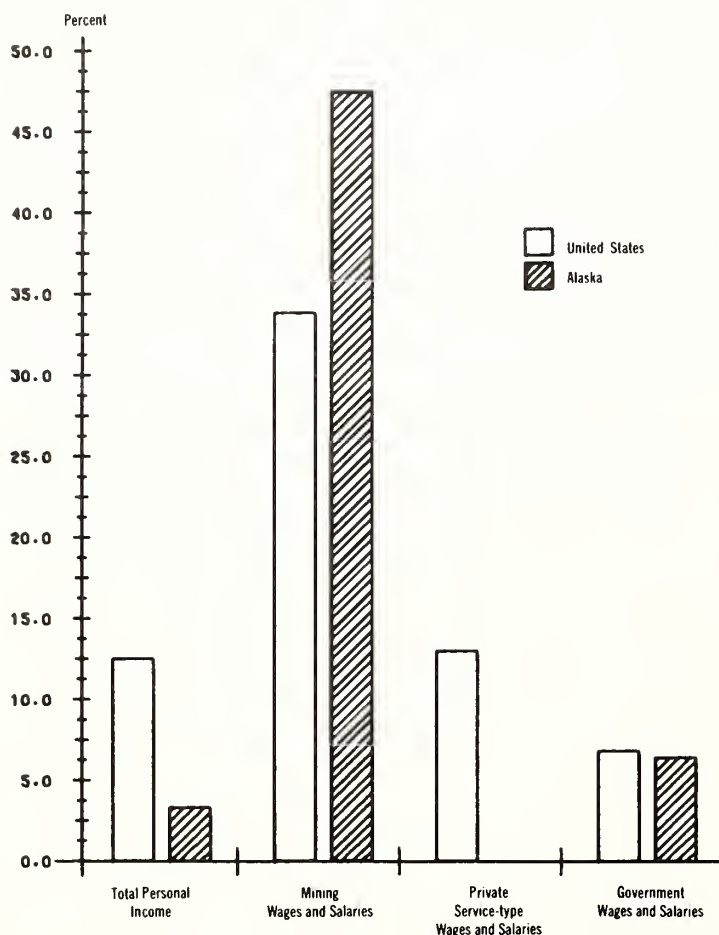
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Alaska increased 3.4 percent from 1977:IV to 1978:IV, an increase that was about one-third of the Nation's and that was the smallest among all States (table 2). In 1978:IV, Alaska's personal income totaled \$4.5 billion, up \$148 million since 1977:IV. The **Consumer Price Index** (1967=100) for Anchorage was 194.8 in 1978:IV, up from 190.7 in 1978:III (table 3).

Since the last national business cycle peak in 1973:IV, Alaska's economy has grown at one of the fastest rates in the Nation; the increase in the State's nonfarm income was 64 percent more than nationally, ranking Alaska second to Wyoming among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



From 1977:IV to 1978:IV, **wage and salary disbursements** (payrolls) in the State declined 0.2 percent, in sharp contrast to the Nation's 12.6-percent average increase. Two of the State's major industries—construction and transportation-communication-public utilities—registered payroll declines that were the largest in the Nation. Construction payrolls declined 29.0 percent, compared with a national increase of 20.1 percent. In 1978:IV, Alaska's construction payrolls accounted for 10.9 percent of all State payrolls; this share was well above the national average share of 5.9 percent. The State's construction share has declined steadily since 1976:IV, when it exceeded 30 percent. Payrolls in the transportation group declined 7.7 percent from year to year, to \$400 million.

Trade payrolls increased 1.6 percent, lagging the Nation's 14.1-percent gain. Services payrolls increased 3.9 percent, compared with a national gain of 12.7 percent, to \$519 million. Federal Government payrolls increased 4.1 percent, lagging the Nation's gain by 3 percentage points.

State and local government payrolls increased 9.2 percent, leading the national average increase of 6.8 percent, to \$617 million. In 1978:IV, these payrolls accounted for 16.8 percent of all State payrolls, a share that was exceeded only in New Mexico (17.5 percent). Mining payrolls increased 47.2 percent, reflecting the growing importance of petroleum to the Alaskan economy.

State unemployment insurance benefits declined 23.7 percent (to \$72 million), compared with a 30.3-percent decline in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

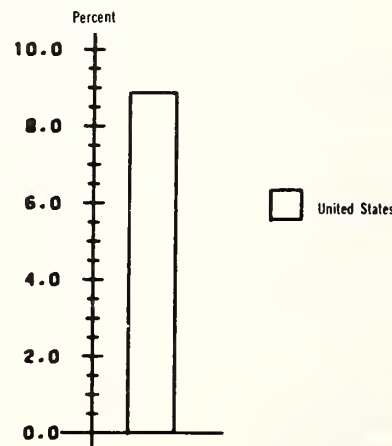


Chart 3.—Total Personal Income

[Seasonally adjusted]

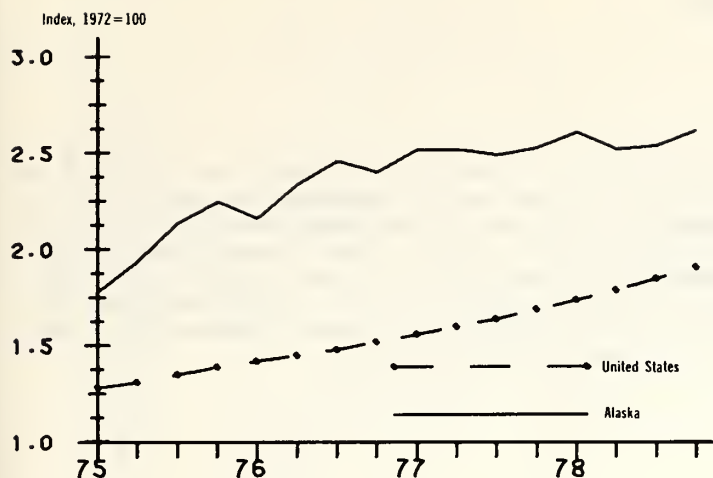


Chart 4.—Industrial Composition of Wages and Salaries: Alaska

[Seasonally adjusted]

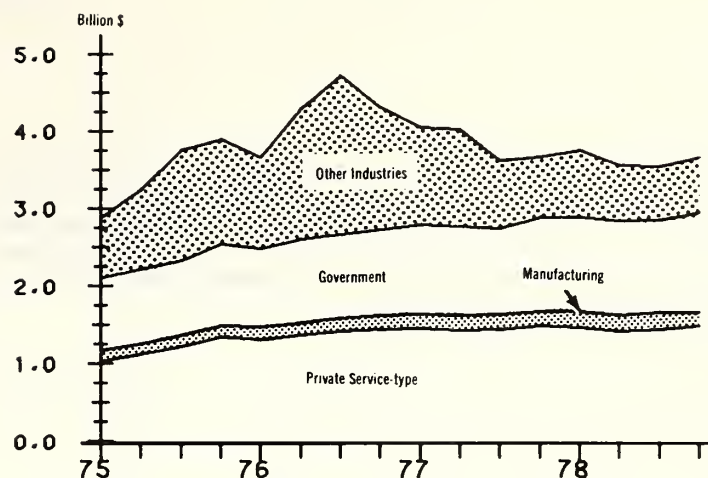


TABLE 2.—Personal Income, United States and Alaska Through Fourth Quarter, 1978

| | United States | | | Alaska | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 4,225 | 4,303 | 4,316 | 4,451 | 12.4 | 2.2 | 12.6 | 3.4 |
| Farm personal income | 31,224 | 39,451 | 4 | 5 | 5 | 7 | 47.9 | 21.8 | 26.3 | 27.8 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 4,221 | 4,298 | 4,311 | 4,444 | 11.9 | 2.1 | 12.3 | 3.4 |
| Total personal income | 1,583,508 | 1,782,519 | 4,225 | 4,303 | 4,316 | 4,451 | 12.4 | 2.2 | 12.6 | 3.4 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,620 | 3,677 | 3,547 | 3,672 | 12.1 | -2.0 | 12.6 | -2 |
| Other labor income | 96,016 | 111,719 | 258 | 268 | 266 | 268 | 17.0 | 3.0 | 16.4 | .3 |
| Proprietors' income | 105,953 | 125,995 | 209 | 205 | 207 | 216 | 21.5 | -1.1 | 18.9 | 5.3 |
| Farm | 23,636 | 31,044 | 2 | 3 | 2 | 4 | 66.6 | 11.9 | 31.3 | 44.6 |
| Nonfarm | 82,317 | 94,951 | 207 | 203 | 205 | 212 | 12.8 | -1.3 | 15.3 | 4.8 |
| Dividends, interest, and rent | 214,992 | 242,442 | 333 | 337 | 382 | 397 | 12.3 | 14.6 | 12.8 | 17.7 |
| Transfer payments | 215,944 | 233,750 | 389 | 359 | 381 | 369 | 8.8 | -2.0 | 8.2 | 2.6 |
| State unemployment insurance benefits | 11,128 | 7,753 | 130 | 94 | 91 | 72 | -24.0 | -30.0 | -30.3 | -23.7 |
| Less: personal contributions | 62,212 | 71,610 | 255 | 258 | 251 | 252 | 14.8 | -1.3 | 15.1 | -2.5 |
| Plus: residence adjustment | -401 | -473 | -330 | -285 | -216 | -219 | — | — | — | — |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,620 | 3,677 | 3,547 | 3,672 | 12.1 | -2.0 | 12.6 | -2 |
| Farm | 7,176 | 7,939 | 2 | 2 | 2 | 2 | 8.5 | 36.2 | 10.6 | 10.0 |
| Nonfarm | 1,006,040 | 1,132,757 | 3,619 | 3,675 | 3,545 | 3,669 | 12.1 | -2.0 | 12.6 | -2 |
| Mining | 14,048 | 18,813 | 162 | 181 | 237 | 267 | 26.5 | 46.1 | 33.9 | 47.5 |
| Construction | 55,648 | 66,858 | 672 | 567 | 406 | 402 | 19.1 | -39.6 | 20.1 | -29.0 |
| Manufacturing | 276,112 | 312,970 | 192 | 194 | 223 | 184 | 12.1 | 16.4 | 13.3 | -4.9 |
| Durable goods | 176,216 | 203,053 | 60 | 63 | 60 | 46 | 13.7 | .5 | 15.2 | -27.0 |
| Nondurable goods | 99,896 | 109,917 | 131 | 130 | 162 | 138 | 9.4 | 23.7 | 10.0 | 5.9 |
| Private service-type | 455,764 | 515,348 | 1,453 | 1,495 | 1,451 | 1,495 | 12.8 | -2 | 13.1 | .0 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 363 | 433 | 407 | 400 | 10.4 | 12.1 | 11.3 | -7.7 |
| Wholesale and retail trade | 170,888 | 195,035 | 399 | 424 | 426 | 431 | 13.6 | 6.9 | 14.1 | 1.6 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 125 | 138 | 145 | 145 | 14.1 | 15.7 | 13.2 | 5.3 |
| Services | 153,840 | 173,396 | 566 | 500 | 473 | 519 | 12.6 | -16.5 | 12.7 | 3.9 |
| Government | 201,252 | 215,083 | 1,110 | 1,209 | 1,195 | 1,287 | 7.4 | 7.7 | 6.9 | 6.5 |
| Federal | 68,176 | 73,003 | 609 | 644 | 649 | 670 | 7.3 | 6.7 | 7.1 | 4.1 |
| State and local | 133,076 | 142,080 | 501 | 565 | 545 | 617 | 7.5 | 8.9 | 6.8 | 9.2 |
| Other | 3,216 | 3,685 | 30 | 30 | 34 | 33 | 18.7 | 13.0 | 14.6 | 12.4 |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Alaska Through Fourth Quarter, 1978¹

| | United States | | | Alaska | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Anchorage..... | --- | --- | --- | --- | 190.7 | 194.8 | --- | --- | --- | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Alaska's **civilian labor force** increased 8.8 percent, the largest advance among all States and well above the Nation's 3.1-percent advance (table 4). **Total employment** increased from 153,000 to 164,000, a 6.7-percent advance. Alaska's advance was exceeded in only three other States and was almost 3 percentage points above the national average advance.

With employment increasing by only 11,000 and the labor force increasing by 15,000, the number of **unemployed** increased by 4,000. The **unemployment rate** increased 1.7 percentage points, to 11.0 percent of the labor force. While in 1977:IV, Alaska's unemployment rate was 3 percentage points above the Nation's 6.2-percent rate; in 1978:IV, it was twice the Nation's 5.5-percent rate and was higher than in any other State. Hawaii and the District of Columbia had the next highest rates, both at 7.8 percent of the labor force.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Alaska

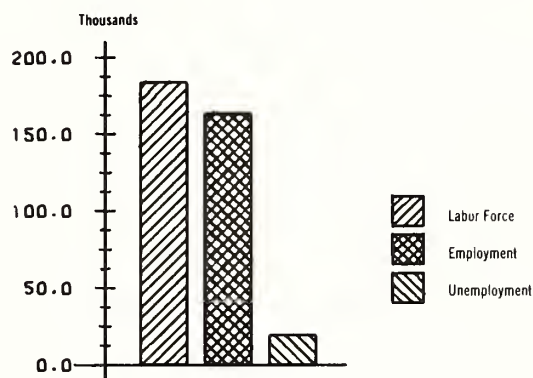


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

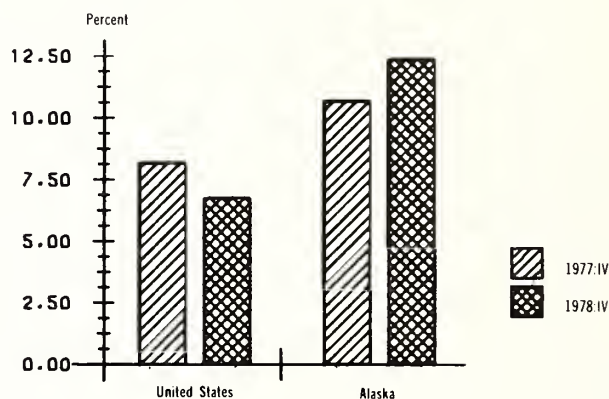


TABLE 4.—Labor Force, United States and Alaska Through Fourth Quarter, 1978

| | United States | | | Alaska | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 169 | 158 | 167 | 156 | 4.3 | -.7 | 4.2 | -1.5 |
| Mining | 787 | 899 | 5 | 4 | 5 | 5 | 8.2 | 8.3 | 14.2 | 18.6 |
| Construction | 4,032 | 4,488 | 21 | 18 | 17 | 13 | 10.4 | -19.3 | 11.3 | -27.5 |
| Manufacturing | 19,986 | 20,722 | 13 | 9 | 15 | 9 | 3.1 | 14.8 | 3.7 | 9.3 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 16 | 15 | 16 | 14 | 3.8 | -6 | 4.4 | -2.7 |
| Wholesale and retail trade | 19,152 | 20,015 | 29 | 27 | 29 | 28 | 5.3 | -.3 | 4.5 | 1.1 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 8 | 8 | 8 | 8 | 4.8 | 2.5 | -2.0 | -1.3 |
| Services | 15,539 | 16,215 | 27 | 25 | 26 | 25 | 4.6 | -3.7 | 4.4 | .8 |
| Government | 15,434 | 15,656 | 50 | 52 | 51 | 53 | 2.1 | 3.0 | 1.4 | 1.9 |
| Civilian labor force ³ | 98,591 | 101,615 | 180 | 169 | 192 | 184 | 3.2 | 6.6 | 3.1 | 8.8 |
| Total employed | 92,442 | 96,010 | 166 | 153 | 174 | 164 | 4.1 | 4.6 | 3.9 | 6.7 |
| Total unemployed | 6,149 | 5,605 | 14 | 16 | 18 | 20 | -9.8 | 31.7 | -8.8 | 29.5 |
| Percent unemployed | 6.2 | 5.5 | 7.6 | 9.3 | 9.4 | 11.0 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

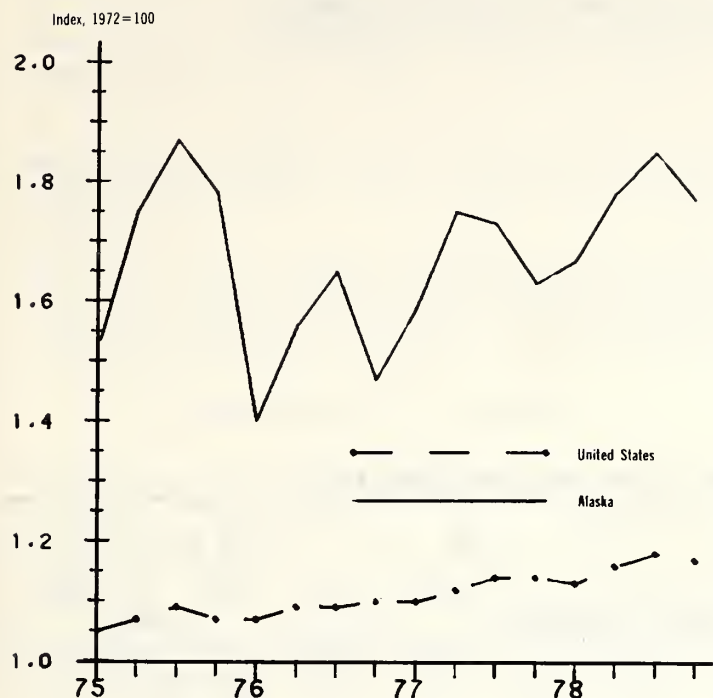


Chart 8.—Civilian Employment

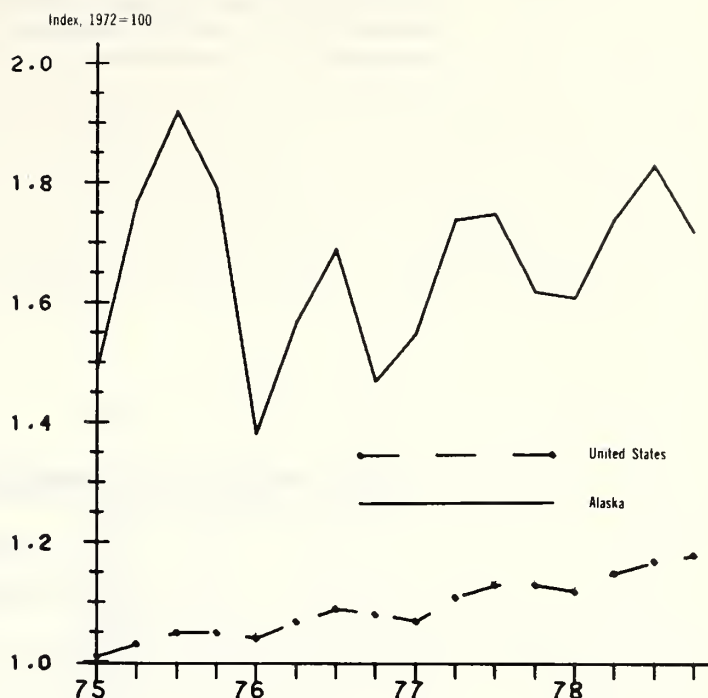


Chart 9.—Unemployment Rate

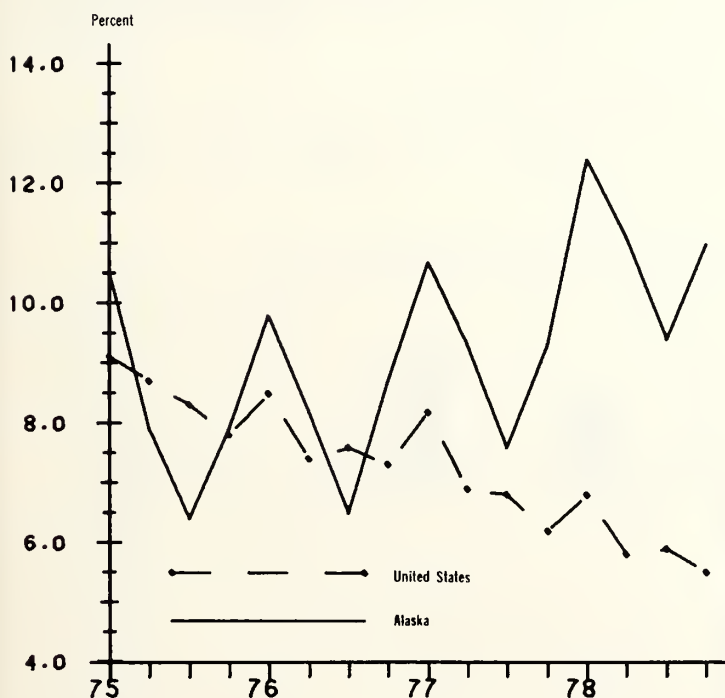
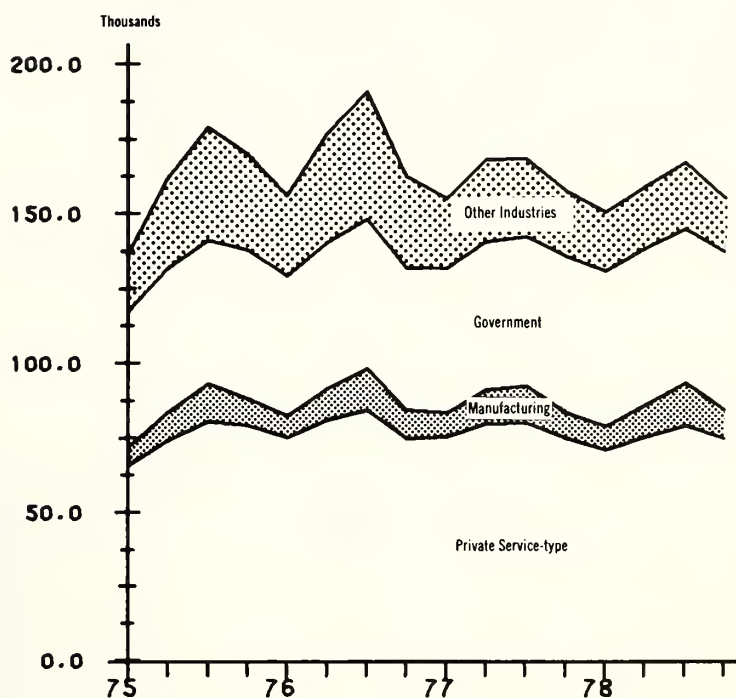


Chart 10.—Industrial Composition of Nonagricultural Employment: Alaska



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Alaska Through Fourth Quarter, 1978

| | United States | | | Alaska | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 1,020 | 1,041 | 1,155 | n.a. | 16.3 | 13.1 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 327 | 299 | 394 | n.a. | 14.2 | 20.4 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 254 | 285 | 286 | n.a. | 20.2 | 12.8 | --- | --- |
| Real estate | 177,935 | n.a. | 411 | 446 | 466 | n.a. | 19.9 | 13.3 | --- | --- |
| Residential..... | 101,236 | n.a. | 215 | 214 | 231 | n.a. | 21.3 | 7.5 | --- | --- |
| Farms..... | 7,731 | n.a. | 0 | 0 | 0 | n.a. | 10.7 | 61.9 | --- | --- |
| Other | 68,968 | n.a. | 197 | 232 | 235 | n.a. | 19.0 | 19.6 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 0 | 0 | 0 | n.a. | 6.8 | -77.8 | --- | --- |
| Other..... | 69,947 | n.a. | 28 | 12 | 8 | n.a. | 8.0 | -69.8 | --- | --- |
| Total deposits | 925,511 | n.a. | 1,515 | 1,519 | 1,667 | n.a. | 11.5 | 10.0 | --- | --- |
| Demand | 377,683 | n.a. | 770 | 726 | 786 | n.a. | 10.2 | 2.1 | --- | --- |
| Time and savings | 547,828 | n.a. | 745 | 793 | 881 | n.a. | 12.3 | 18.3 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts rose only 1.8 percent from 1977:IV to 1978:IV, to \$109 million. Alaska's gain lagged the Nation's gain by 15 percentage points (table 6). National construction costs rose about 13 percent during the same timespan; if this rise reflects the advance throughout Alaska, the real valuation of contracts declined about 11 percent in the State versus a rise of about 4 percent nationally.

The valuation of residential nonhousekeeping contracts in Alaska declined from \$11.2 million in 1977:IV to only \$600,000 in 1978:IV. This sharp year-to-year percent decline compared with a 44.8-percent national increase.

Nonbuilding contracts also declined in valuation, from \$33.8 million in 1977:IV to \$28.0 million in 1978:IV. This 17.1-percent decline compared with a 22.2-percent gain nationally. A major component of nonbuilding contracts, streets and highways, declined 26.1 percent in valuation, to \$10.6 million.

The valuation of nonresidential contracts rose 10.4 percent, lagging the Nation's average gain of 15.8 percent, to \$27.5 million.

Both major types of residential housekeeping contracts registered gains in valuation that far exceeded those of national counterparts. The valuation of contracts for additions and alterations to residential housekeeping units rose 31.5 percent, more than twice the national gain, to \$10.8 million. Alaska's gain was exceeded by gains in only five States. The valuation of contracts for new residential housekeeping units rose by almost one-half, compared with a national gain of 15.6 percent, to \$42.3 million. The number of dwelling units started rose from 620 to 766; the State's 23.5-percent gain was one of the largest in the Nation. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

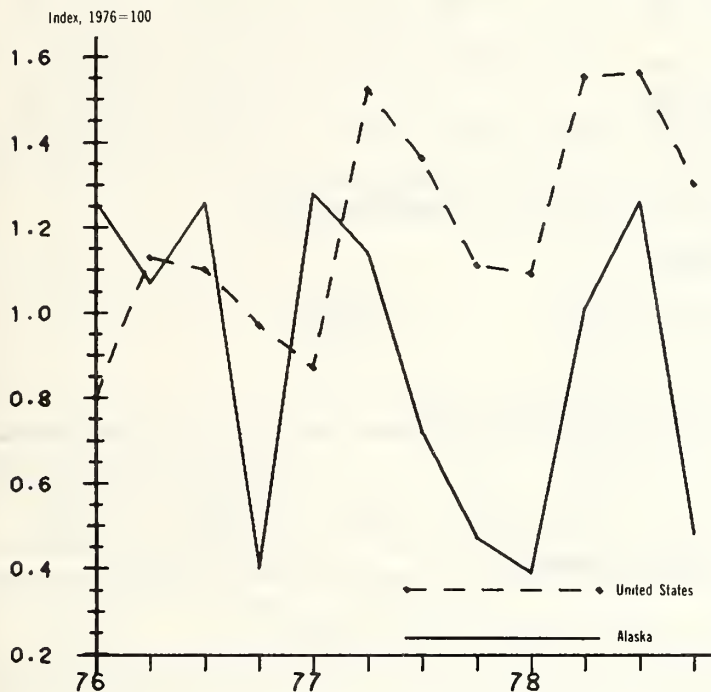


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Alaska

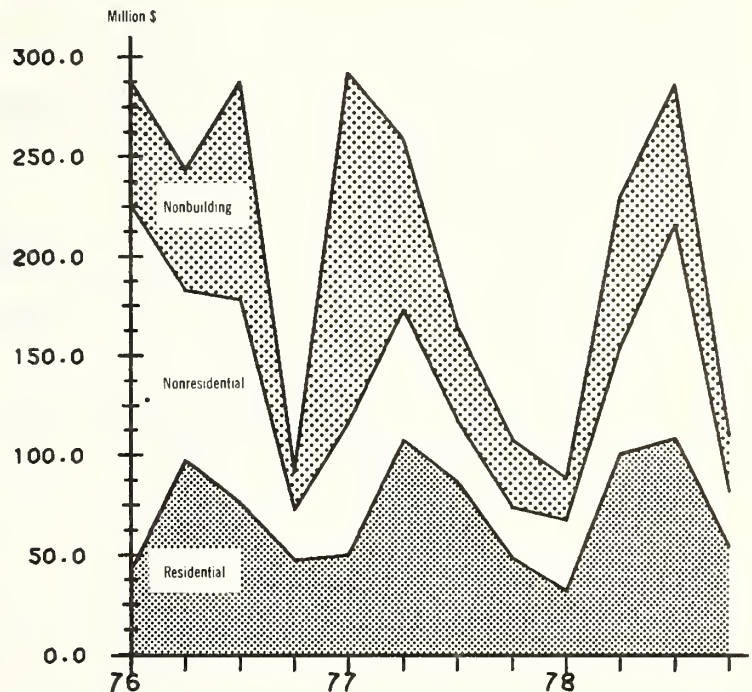


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

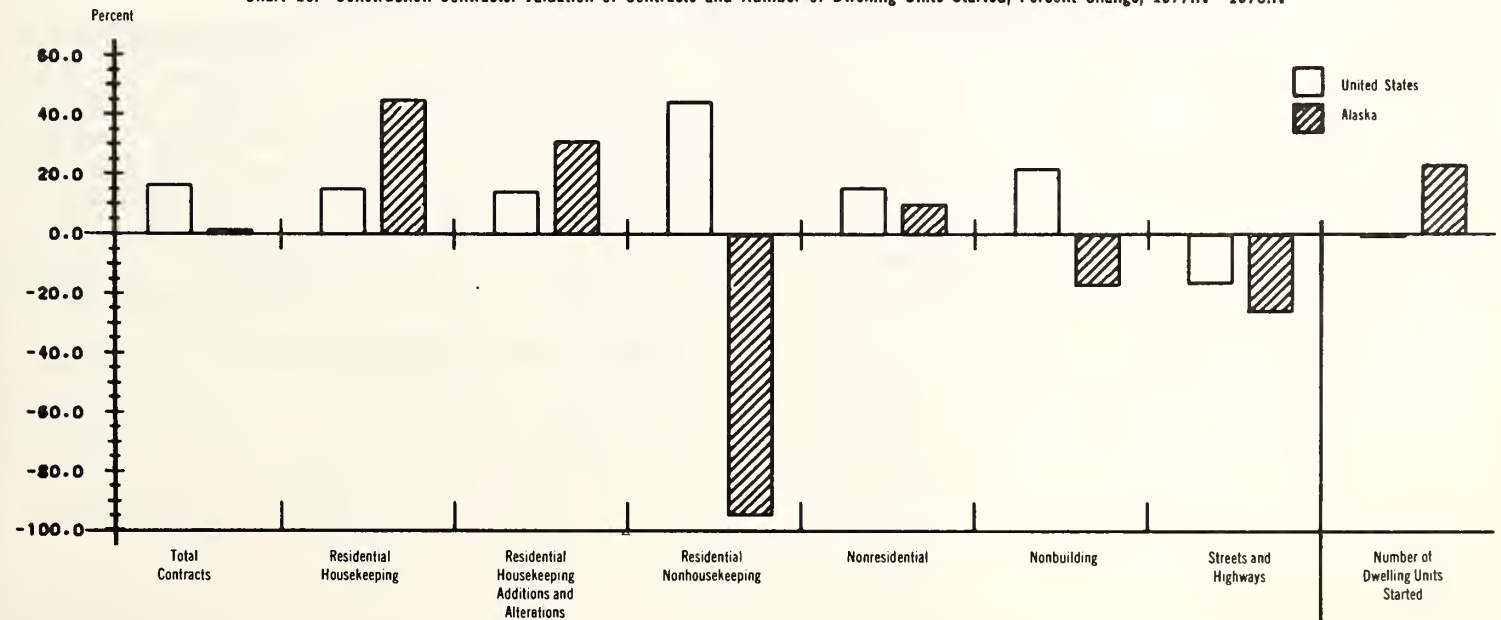


TABLE 6.—Construction Contracts, United States and Alaska Through Fourth Quarter, 1978¹

| | United States | | | Alaska | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 164,652 | 107,343 | 285,796 | 109,276 | 14.5 | 73.6 | 16.8 | 1.8 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 8,507 | 8,246 | 10,786 | 10,843 | 16.8 | 26.8 | 14.6 | 31.5 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 220 | 204 | 315 | 187 | 4.4 | 43.2 | -9.3 | -8.3 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 156,145 | 99,097 | 275,010 | 98,433 | 14.0 | 76.1 | 17.4 | -7 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 4,727 | 1,231 | 3,409 | 1,260 | 10.8 | -27.9 | 10.2 | 2.4 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 83 | 62 | 107 | 98 | -5.1 | 28.9 | -4.3 | 58.1 |
| Number of dwelling units | 445,772 | 443,075 | 1,163 | 620 | 1,786 | 766 | 1.0 | 53.6 | -6 | 23.5 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 66,203 | 29,143 | 96,923 | 42,315 | 15.3 | 46.4 | 15.6 | 45.2 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 2,245 | 705 | 2,326 | 935 | 10.3 | 3.6 | 10.7 | 32.6 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 7 | 4 | 3 | 2 | 10.0 | -57.1 | -4 | -50.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 11,908 | 11,194 | 1,078 | 557 | 9.4 | -90.9 | 44.8 | -95.0 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 299 | 165 | 2 | 0 | -7 | -99.5 | 24.7 | --- |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 59 | 58 | 86 | 38 | -2.5 | 45.8 | -12.0 | -34.5 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 30,555 | 24,928 | 106,994 | 27,531 | 27.6 | 250.2 | 15.8 | 10.4 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 2,183 | 361 | 1,082 | 326 | 12.2 | -50.5 | 8.9 | -9.8 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 71 | 80 | 119 | 49 | 22.4 | 67.6 | -9.1 | -38.7 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 47,479 | 33,832 | 70,015 | 28,030 | -1 | 47.5 | 22.2 | -17.1 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 18 | 22 | 28 | 8 | 9.3 | 55.6 | -17.8 | -63.6 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 22,684 | 14,364 | 14,061 | 10,622 | 3.0 | -38.0 | -16.3 | -26.1 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Alaska are not available.

TABLE 7.—Retail Sales, United States and Alaska Through Fourth Quarter, 1978

| | United States | | | Alaska | | | U.S. | State | U.S. | State |
|------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Alaska Through Fourth Quarter, 1978

| | United States | | | Alaska | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 343 | 342 | 335 | n.a. | 8.2 | -2.3 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 0 | 1 | 0 | n.a. | -9.5 | --- | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 0 | 255 | 0 | n.a. | -44.2 | --- | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 0 | 255 | 0 | n.a. | -38.4 | --- | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 17.5% vs. 12.6% in U.S., to \$18.4 billion
- Construction payrolls up 45.0%, largest gain in U.S.
- Private service-type payrolls up 19.2% vs. 13.1% in U.S.

Employment

- Up 6.7% vs. 3.9% in U.S., to 984,000

Unemployment

- Down 14,000, to 57,000
- Rate down 1.6 percentage points, to 5.5% of labor force, same as in U.S.

Construction

- Total valuation of contracts up 52.0% vs. 16.8% in U.S., to \$892 million
- Number of dwelling-unit starts up 28.0% vs. near stability in U.S., to 13,442

TABLE 1.—Summary of Economic Indicators, United States and Arizona Through Fourth Quarter, 1978

| | United States | | | Arizona | | | U.S. | State | U.S. | State |
|---|--|------------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 15,078 | 15,680 | 17,731 | 18,420 | 12.4 | 17.6 | 12.6 | 17.5 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 9,437 | 9,886 | 11,232 | 11,724 | 12.1 | 19.0 | 12.6 | 18.6 |
| Civilian employment (thousands)..... | 92,442 | 96,010 | 893 | 922 | 938 | 984 | 4.1 | 5.1 | 3.9 | 6.7 |
| Unemployment (thousands) | 6,149 | 5,605 | 80 | 71 | 57 | 57 | -9.8 | -28.5 | -8.8 | -19.4 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 8.3 | 7.1 | 5.8 | 5.5 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 5,081 | 5,417 | 6,108 | n.a. | 16.3 | 20.2 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 7,090 | 7,601 | 8,228 | n.a. | 11.5 | 16.1 | --- | --- |
| Total valuation of construction contracts (thousands of dollars)..... | 38,913,111 | 45,459,773 | 717,181 | 586,644 | 841,316 | 891,880 | 14.5 | 17.3 | 16.8 | 52.0 |
| Dwelling units started (number) | 445,772 | 443,075 | 12,614 | 10,498 | 15,179 | 13,442 | 1.0 | 20.3 | -6 | 28.0 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 1,797 | 1,714 | 2,394 | n.a. | 8.2 | 33.2 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 16 | 15 | 11 | n.a. | -9.5 | -31.2 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Arizona increased 17.5 percent from 1977:IV to 1978:IV, far outpacing the Nation's 12.6-percent increase and ranking fifth among all State increases (table 2). In 1978:IV, Arizona's personal income totaled \$18.4 billion, up \$2.7 billion since 1977:IV.

Reflecting strong increases in all but one major industry, **wage and salary disbursements** (payrolls) increased 18.6 percent versus 12.6 percent nationally, to \$11.7 billion. The increase was larger only in Wyoming and Nevada. Construction payrolls increased 45.0 percent, leading all Arizona payroll gains and ranking first among all construction payroll gains nationally. From 1977:IV to 1978:IV, three of the four private service-type industries registered payroll gains that

were among the largest in the Nation. Mainly reflecting increased tourism—due, in part, to the recent deregulation of the Nation's airlines—trade payrolls increased 21.6 percent versus 14.1 percent nationally, and transportation-communication-public utilities payrolls increased 14.2 percent versus 11.3 percent nationally. Services industry payrolls increased 18.2 percent, compared with a national increase of 12.7 percent. Manufacturing payrolls increased 17.2 percent, outpacing the Nation's gain by almost 4.0 percentage points. Payrolls in both the durables and nondurables components of manufacturing increased more than national counterparts. Federal Government payrolls in the State increased 12.2 percent, one of the largest increases in the Nation, to \$993 million. State and local government payrolls increased 7.6 percent, the smallest increase among the State's major industries, compared with 6.8 percent nationally.

Mining payrolls increased 24.6 percent, apparently signaling recovery from reduced levels of output in 1977 and the first three quarters of 1978. World copper prices increased in 1978:IV, thereby stimulating copper output in the State. Copper mining in Arizona accounts for 85 percent of the value of the State's mining output and for 55 percent of all copper tonnage mined in the United States.

With Arizona's economy expanding at a faster rate than the Nation's, State unemployment insurance benefits were 37.2 percent lower in 1978:IV than in 1977:IV, compared with a 30.3-percent decline nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]

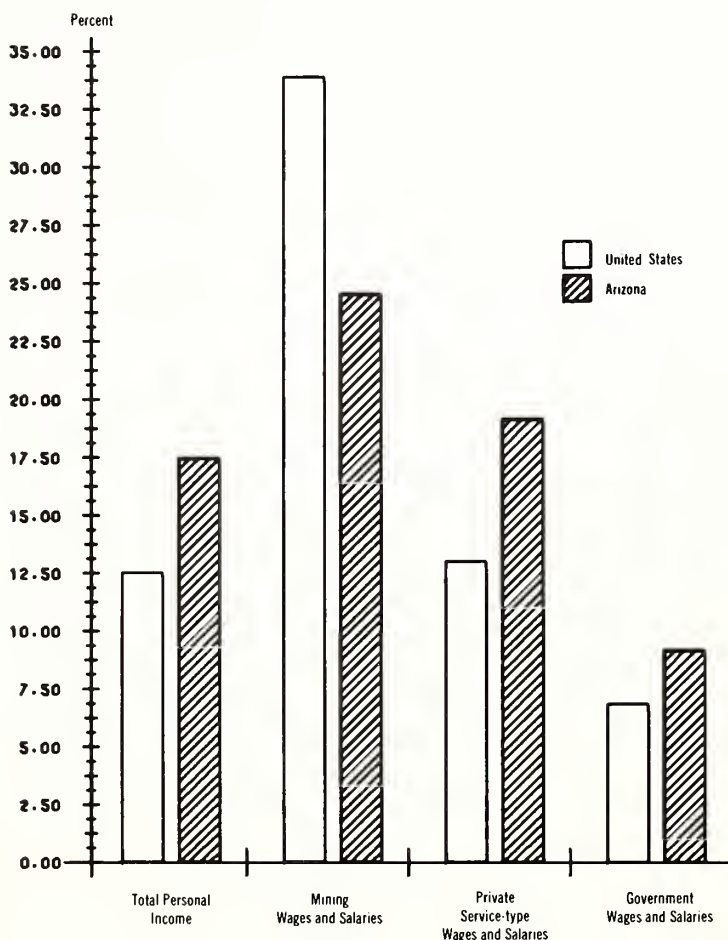


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

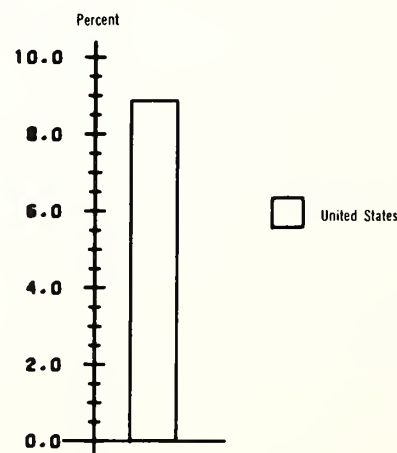


Chart 3.—Total Personal Income
[Seasonally adjusted]

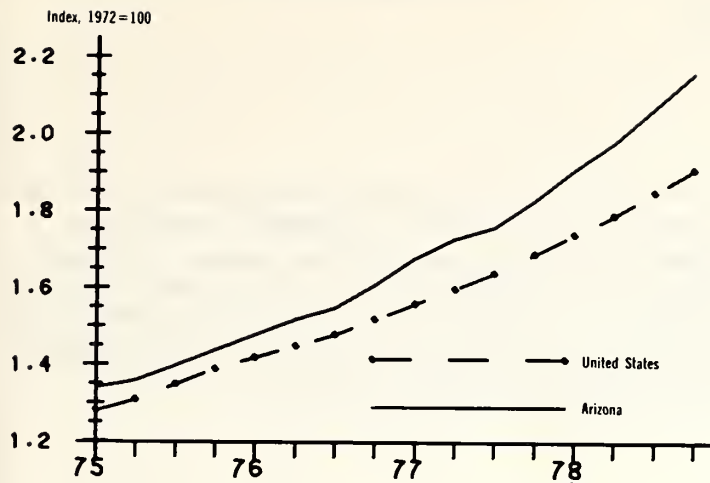


Chart 4.—Industrial Composition of Wages and Salaries: Arizona
[Seasonally adjusted]

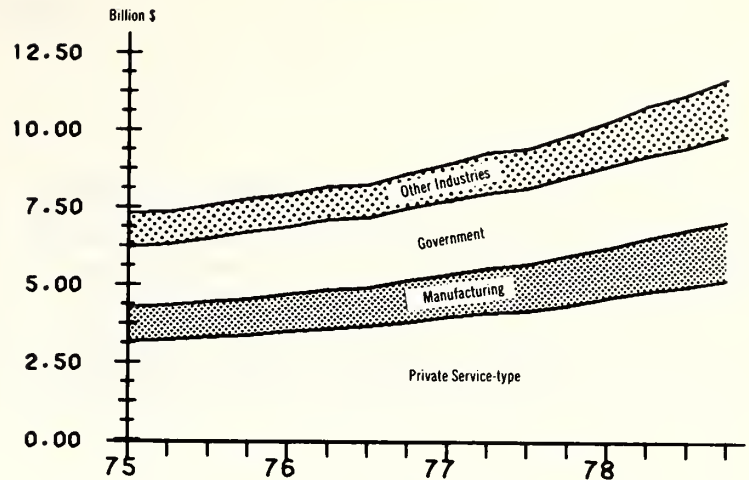


TABLE 2.—Personal Income, United States and Arizona Through Fourth Quarter, 1978

| | United States | | | Arizona | | | U.S. | State | U.S. | State |
|---|---|------------------|---------------|---------------|---------------|---------------|-----------------------------|-------------|---------------------|-------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 15,078 | 15,680 | 17,731 | 18,420 | 12.4 | 17.6 | 12.6 | 17.5 |
| Farm personal income..... | 31,224 | 39,451 | 284 | 302 | 433 | 446 | 47.9 | 52.4 | 26.3 | 47.7 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 14,794 | 15,378 | 17,298 | 17,974 | 11.9 | 16.9 | 12.3 | 16.9 |
| Total personal income | 1,583,508 | 1,782,519 | 15,078 | 15,680 | 17,731 | 18,420 | 12.4 | 17.6 | 12.6 | 17.5 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 9,437 | 9,886 | 11,232 | 11,724 | 12.1 | 19.0 | 12.6 | 18.6 |
| Other labor income | 96,016 | 111,719 | 835 | 884 | 1,042 | 1,083 | 17.0 | 24.7 | 16.4 | 22.5 |
| Proprietors' income..... | 105,953 | 125,995 | 748 | 776 | 976 | 1,017 | 21.5 | 30.6 | 18.9 | 31.0 |
| Farm | 23,636 | 31,044 | 159 | 171 | 296 | 302 | 66.6 | 85.8 | 31.3 | 76.6 |
| Nonfarm | 82,317 | 94,951 | 589 | 605 | 681 | 714 | 12.8 | 15.6 | 15.3 | 18.0 |
| Dividends, interest, and rent | 214,992 | 242,442 | 2,427 | 2,494 | 2,771 | 2,866 | 12.3 | 14.2 | 12.8 | 14.9 |
| Transfer payments | 215,944 | 233,750 | 2,211 | 2,242 | 2,429 | 2,472 | 8.8 | 9.9 | 8.2 | 10.3 |
| State unemployment insurance benefits..... | 11,128 | 7,753 | 59 | 48 | 33 | 30 | -24.0 | -44.0 | -30.3 | -37.2 |
| Less: personal contributions | 62,212 | 71,610 | 553 | 574 | 684 | 705 | 14.8 | 23.5 | 15.1 | 23.0 |
| Plus: residence adjustment | -401 | -473 | -27 | -29 | -35 | -37 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 9,437 | 9,886 | 11,232 | 11,724 | 12.1 | 19.0 | 12.6 | 18.6 |
| Farm | 7,176 | 7,939 | 122 | 127 | 134 | 140 | 8.5 | 9.8 | 10.6 | 9.8 |
| Nonfarm | 1,006,040 | 1,132,757 | 9,316 | 9,758 | 11,098 | 11,585 | 12.1 | 19.1 | 12.6 | 18.7 |
| Mining..... | 14,048 | 18,813 | 352 | 328 | 396 | 409 | 26.5 | 12.3 | 33.9 | 24.6 |
| Construction | 55,648 | 66,858 | 777 | 857 | 1,149 | 1,243 | 19.1 | 47.8 | 20.1 | 45.0 |
| Manufacturing | 276,112 | 312,970 | 1,528 | 1,616 | 1,848 | 1,894 | 12.1 | 21.0 | 13.3 | 17.2 |
| Durable goods | 176,216 | 203,053 | 1,216 | 1,301 | 1,488 | 1,530 | 13.7 | 22.4 | 15.2 | 17.6 |
| Nondurable goods | 99,896 | 109,917 | 313 | 315 | 361 | 364 | 9.4 | 15.5 | 10.0 | 15.6 |
| Private service-type | 455,764 | 515,348 | 4,184 | 4,374 | 5,002 | 5,215 | 12.8 | 19.5 | 13.1 | 19.2 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 637 | 692 | 760 | 791 | 10.4 | 19.4 | 11.3 | 14.2 |
| Wholesale and retail trade | 170,888 | 195,035 | 1,622 | 1,685 | 1,961 | 2,050 | 13.6 | 20.9 | 14.1 | 21.6 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 502 | 534 | 624 | 646 | 14.1 | 24.1 | 13.2 | 20.9 |
| Services..... | 153,840 | 173,396 | 1,423 | 1,462 | 1,657 | 1,728 | 12.6 | 16.5 | 12.7 | 18.2 |
| Government | 201,252 | 215,083 | 2,432 | 2,540 | 2,653 | 2,774 | 7.4 | 9.1 | 6.9 | 9.2 |
| Federal..... | 68,176 | 73,003 | 843 | 885 | 945 | 993 | 7.3 | 12.1 | 7.1 | 12.2 |
| State and local | 133,076 | 142,080 | 1,588 | 1,656 | 1,707 | 1,781 | 7.5 | 7.5 | 6.8 | 7.6 |
| Other | 3,216 | 3,685 | 42 | 44 | 51 | 50 | 18.7 | 20.7 | 14.6 | 15.0 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Arizona Through Fourth Quarter, 1978¹

| | United States | | | Arizona | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|------------------------|-------|----------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III – 1978:III | | 1977:IV – 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Arizona's **civilian labor force** increased 4.8 percent, well above the Nation's 3.1-percent advance (table 4). **Total employment** increased from 922,000 to 984,000, a 6.7-percent advance. Arizona's advance was exceeded in only three other States and was almost 3 percentage points above the national average advance.

With employment increasing by 62,000 and the labor force increasing by only 48,000, the number of **unemployed** declined by 14,000. The **unemployment rate** declined 1.6 percentage points, to 5.5 percent of the

labor force. While in 1977:IV, Arizona's unemployment rate was well above the national rate, in 1978:IV, it equaled the national rate.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, unemployment rates in the major metropolitan areas of Phoenix (Maricopa County) and Tucson (Pima County) were lower, at 4.5 and 4.6 percent, respectively, than the preliminary State rate of 5.4 percent. The unemployment rate outside of Maricopa and Pima Counties was 8.8 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Arizona

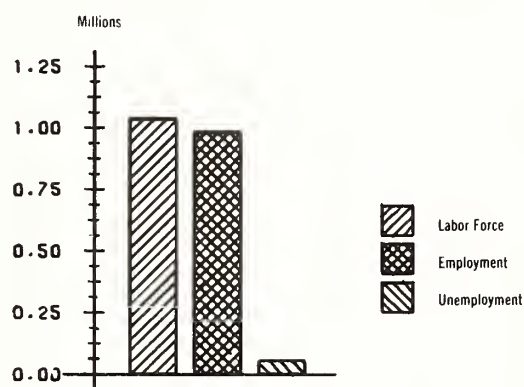


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

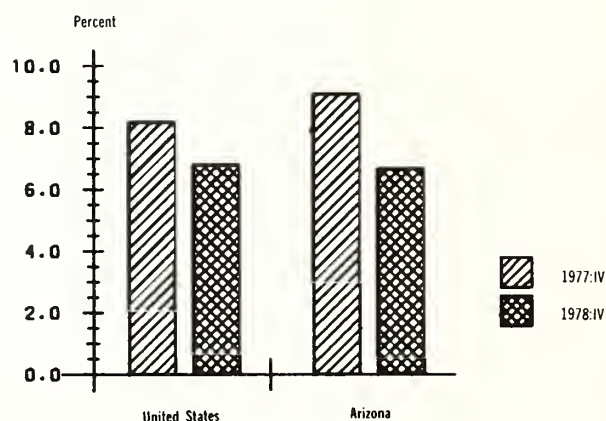


TABLE 4.—Labor Force, United States and Arizona Through Fourth Quarter, 1978

| | United States | | | Arizona | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 789 | 821 | 841 | 881 | 4.3 | 6.5 | 4.2 | 7.3 |
| Mining | 787 | 899 | 19 | 19 | 20 | 20 | 8.2 | 3.6 | 14.2 | 5.8 |
| Construction | 4,032 | 4,488 | 51 | 54 | 65 | 69 | 10.4 | 27.9 | 11.3 | 28.9 |
| Manufacturing | 19,986 | 20,722 | 113 | 115 | 122 | 125 | 3.1 | 7.9 | 3.7 | 8.7 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 41 | 42 | 45 | 46 | 3.8 | 8.8 | 4.4 | 8.8 |
| Wholesale and retail trade | 19,152 | 20,015 | 192 | 199 | 204 | 214 | 5.3 | 6.1 | 4.5 | 7.5 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 45 | 46 | 48 | 49 | 4.8 | 5.7 | -2.0 | 6.6 |
| Services | 15,539 | 16,215 | 153 | 157 | 158 | 163 | 4.6 | 3.5 | 4.4 | 4.3 |
| Government | 15,434 | 15,656 | 175 | 190 | 180 | 194 | 2.1 | 2.6 | 1.4 | 2.5 |
| Civilian labor force ³ | 98,591 | 101,615 | 973 | 993 | 996 | 1,041 | 3.2 | 2.3 | 3.1 | 4.8 |
| Total employed | 92,442 | 96,010 | 893 | 922 | 938 | 984 | 4.1 | 5.1 | 3.9 | 6.7 |
| Total unemployed | 6,149 | 5,605 | 80 | 71 | 57 | 57 | -9.8 | -28.5 | -8.8 | -19.4 |
| Percent unemployed | 6.2 | 5.5 | 8.3 | 7.1 | 5.8 | 5.5 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

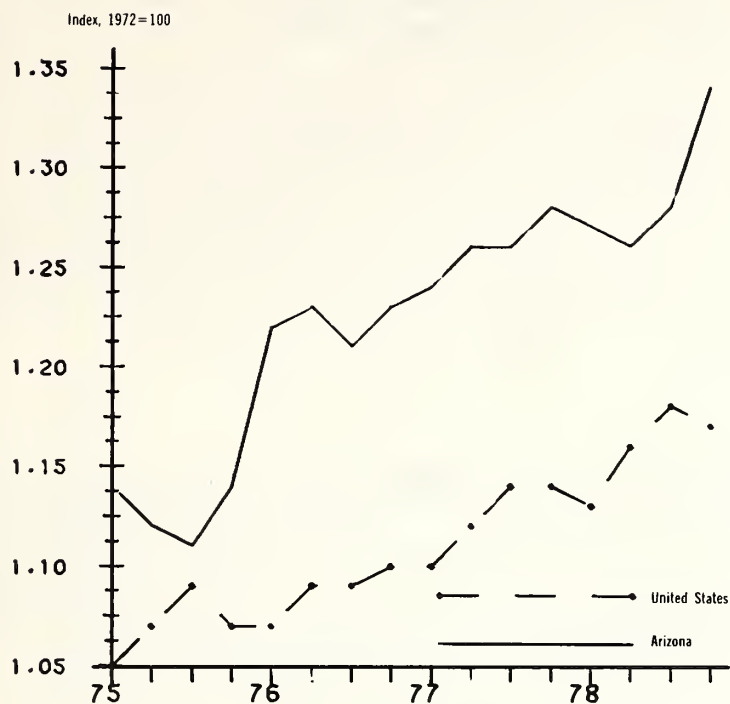


Chart 8.—Civilian Employment

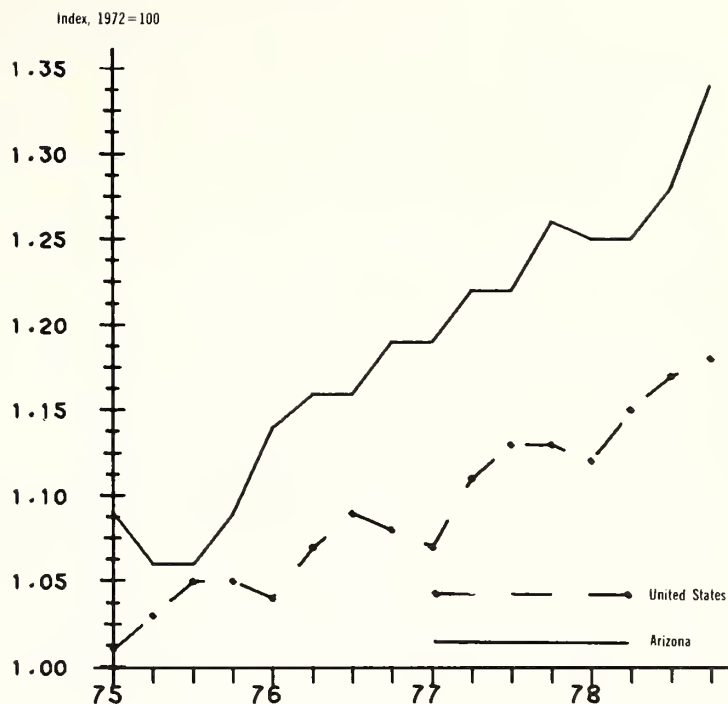


Chart 9.—Unemployment Rate

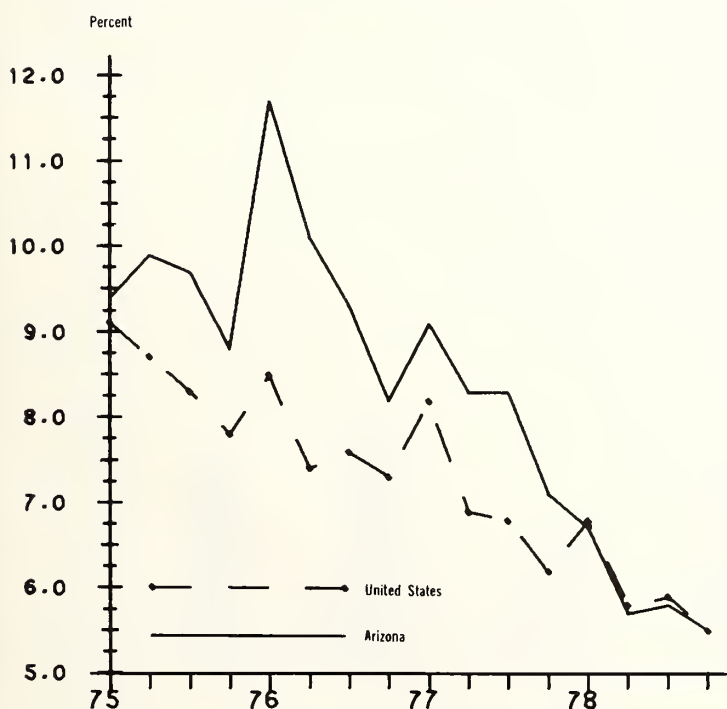
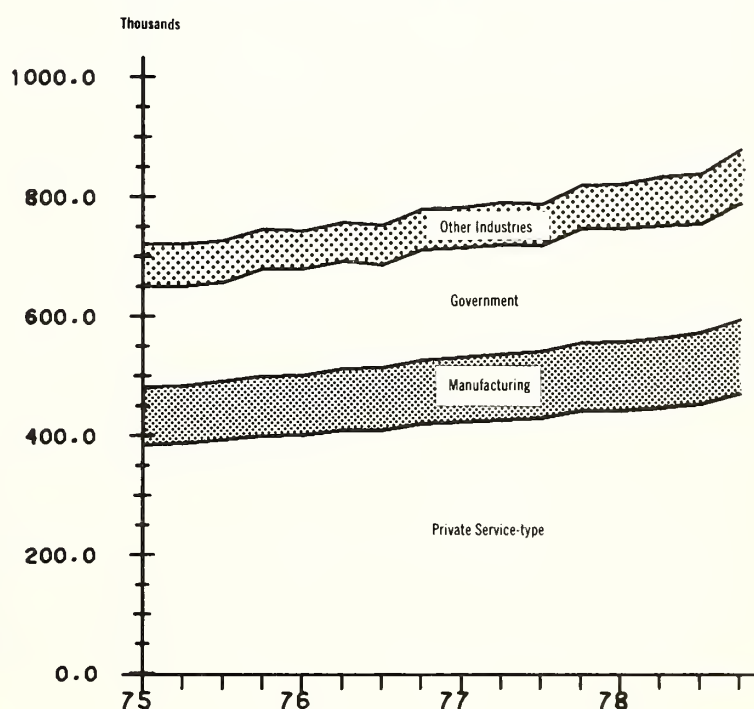


Chart 10.—Industrial Composition of Nonagricultural Employment: Arizona



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Arizona Through Fourth Quarter, 1978

| | United States | | | Arizona | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 5,081 | 5,417 | 6,108 | n.a. | 16.3 | 20.2 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 1,330 | 1,475 | 1,456 | n.a. | 14.2 | 9.4 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 1,484 | 1,559 | 1,856 | n.a. | 20.2 | 25.1 | --- | --- |
| Real estate | 177,935 | n.a. | 1,620 | 1,677 | 1,986 | n.a. | 19.9 | 22.6 | --- | --- |
| Residential..... | 101,236 | n.a. | 1,219 | 1,250 | 1,460 | n.a. | 21.3 | 19.8 | --- | --- |
| Farms..... | 7,731 | n.a. | 13 | 13 | 9 | n.a. | 10.7 | -33.0 | --- | --- |
| Other | 68,968 | n.a. | 388 | 414 | 517 | n.a. | 19.0 | 33.2 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 291 | 295 | 336 | n.a. | 6.8 | 15.5 | --- | --- |
| Other..... | 69,947 | n.a. | 356 | 411 | 474 | n.a. | 8.0 | 33.3 | --- | --- |
| Total deposits | 925,511 | n.a. | 7,090 | 7,601 | 8,228 | n.a. | 11.5 | 16.1 | --- | --- |
| Demand | 377,683 | n.a. | 2,566 | 2,981 | 3,083 | n.a. | 10.2 | 20.2 | --- | --- |
| Time and savings | 547,828 | n.a. | 4,524 | 4,620 | 5,145 | n.a. | 12.3 | 13.7 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in Arizona rose 52.0 percent from 1977:IV to 1978:IV (to \$892 million), far exceeding the Nation's 16.8-percent average gain and ranking fourth among all State gains (table 6).

Continuing strong advances in the Maricopa County (Phoenix) residential housekeeping market were mainly responsible for the State's year-to-year gain in the total valuation of contracts. Statewide, the valuation of residential housekeeping contracts increased \$162 million, a 55.5-percent gain that outpaced the 15.6-percent national average and was exceeded by gains in only three other States. One-family housing units in Maricopa County accounted for well over 60 percent of the total valuation of residential housekeeping contracts in Arizona in 1978:IV. The number of dwelling units started rose 28.0 percent, or almost 2,000 units, to 13,442. In contrast, the number of dwelling units

in the Nation was virtually unchanged at a high level. The valuation of contracts for additions and alterations to residential housekeeping units rose 29.8 percent, twice the national average, to \$103 million.

The valuation of nonbuilding contracts more than doubled, to \$151 million in 1978:IV. The gain was one of the largest in the Nation and far outpaced the Nation's average of 22.2 percent. Arizona's large gain was partly due to a 50-percent gain (to \$54 million) in the valuation of street and highway contracts versus a 16.3-percent decline nationally.

Nonresidential contracts rose 18.0 percent in valuation from year to year, the smallest gain among Arizona's major construction markets, to \$173 million. The gain marginally outpaced the Nation's 15.8-percent gain.

Chart 14.—Construction Contracts—Total Valuation

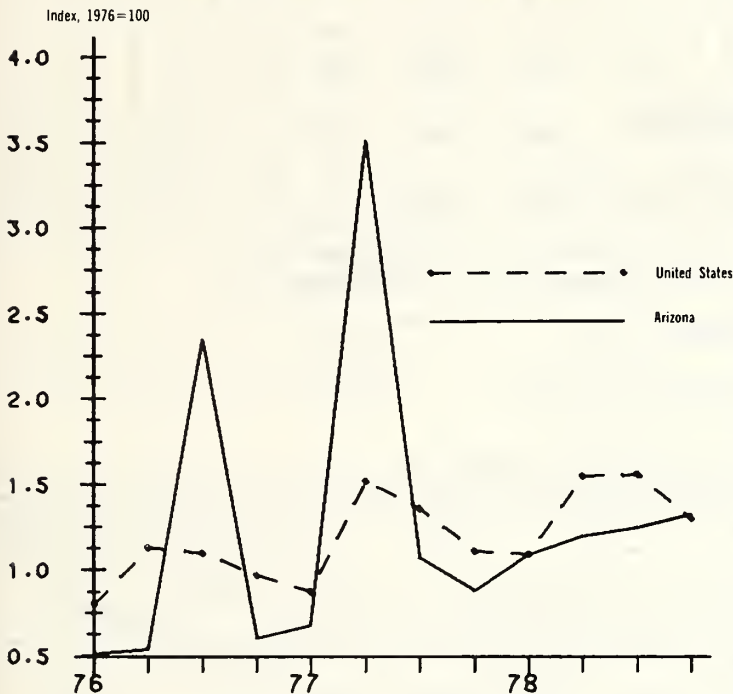


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Arizona

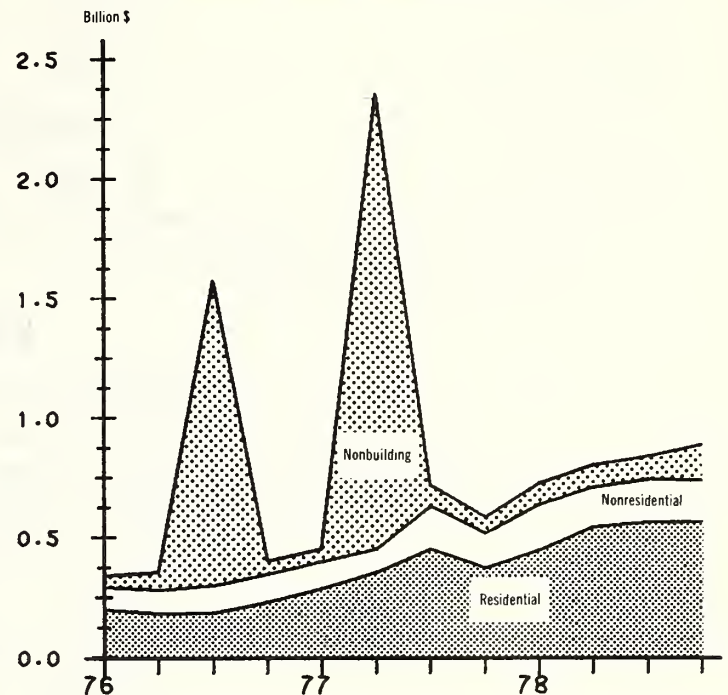


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

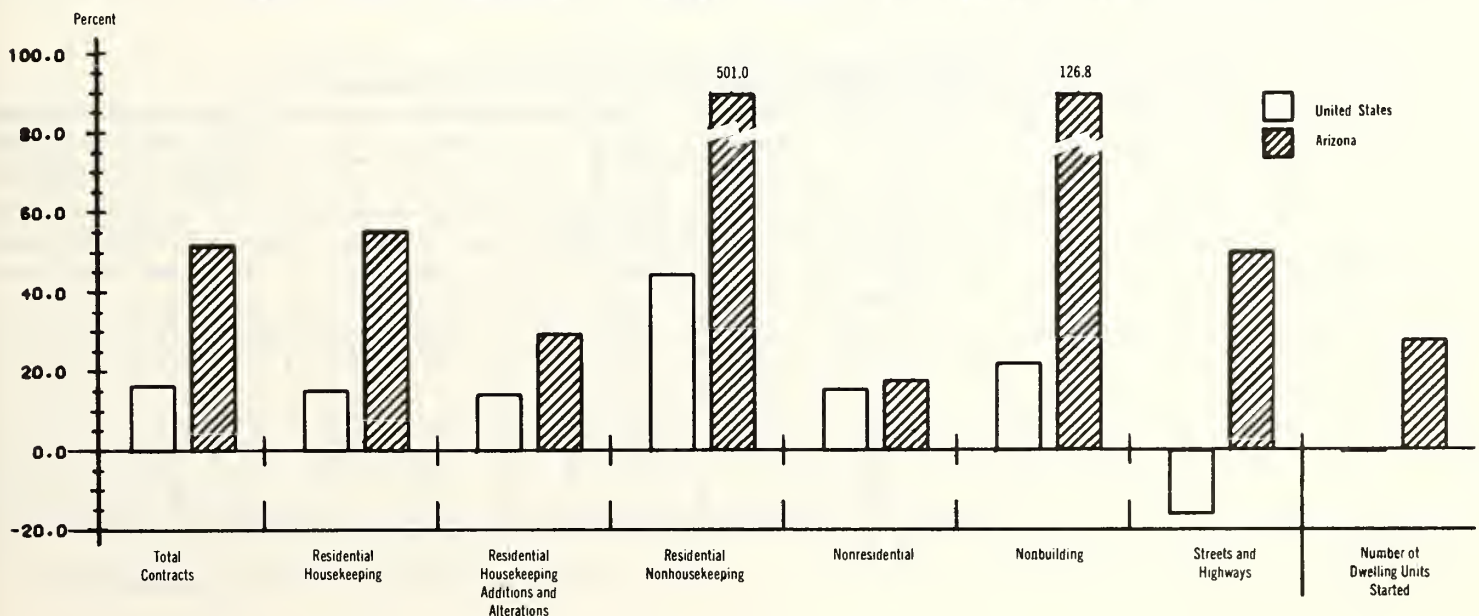


TABLE 6.—Construction Contracts, United States and Arizona Through Fourth Quarter, 1978¹

| | United States | | | Arizona | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|----------------|----------------|----------------|----------------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 717,181 | 586,644 | 841,316 | 891,880 | 14.5 | 17.3 | 16.8 | 52.0 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 81,029 | 79,314 | 110,839 | 102,968 | 16.8 | 36.8 | 14.6 | 29.8 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 924 | 822 | 1,001 | 1,038 | 4.4 | 8.3 | -9.3 | 26.3 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 636,152 | 507,330 | 730,477 | 788,912 | 14.0 | 14.8 | 17.4 | 55.5 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 19,233 | 15,685 | 23,474 | 21,229 | 10.8 | 22.1 | 10.2 | 35.3 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 145 | 125 | 135 | 128 | -5.1 | -6.9 | -4.3 | 2.4 |
| Number of dwelling units | 445,772 | 443,075 | 12,614 | 10,498 | 15,179 | 13,442 | 1.0 | 20.3 | -6 | 28.0 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 370,860 | 292,792 | 448,098 | 455,174 | 15.3 | 20.8 | 15.6 | 55.5 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 13,408 | 10,894 | 16,438 | 16,262 | 10.3 | 22.6 | 10.7 | 49.3 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 7 | 10 | 7 | 10 | -10.0 | .0 | -4 | .0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 3,789 | 1,658 | 8,464 | 9,964 | 9.4 | 123.4 | 44.8 | 501.0 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 131 | 49 | 174 | 159 | -7 | 33.1 | 24.7 | 225.0 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 521 | 489 | 555 | 648 | -2.5 | 6.5 | -12.0 | 32.5 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 178,632 | 146,197 | 178,449 | 172,542 | 27.6 | -1 | 15.8 | 18.0 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 5,695 | 4,742 | 6,862 | 4,808 | 12.2 | 20.5 | 8.9 | 1.4 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 251 | 198 | 304 | 252 | 22.4 | 21.1 | -9.1 | 27.3 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 82,871 | 66,683 | 95,466 | 151,232 | -1 | 15.2 | 22.2 | 126.8 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 93 | 57 | 112 | 82 | 9.3 | 20.4 | -17.8 | 43.9 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 38,215 | 36,047 | 58,014 | 54,133 | 3.0 | 51.8 | -16.3 | 50.2 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Arizona are not available.

TABLE 7.—Retail Sales, United States and Arizona Through Fourth Quarter, 1978

| | United States | | | Arizona | | | U.S. | State | U.S. | State |
|---------------------------|--|----------------|-------------|-------------|-------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Arizona Through Fourth Quarter, 1978

| | United States | | | Arizona | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------|--------------|--------------|--------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 1,797 | 1,714 | 2,394 | n.a. | 8.2 | 33.2 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 16 | 15 | 11 | n.a. | -9.5 | -31.2 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 2,769 | 1,693 | 2,198 | n.a. | -44.2 | -20.6 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 173 | 113 | 200 | n.a. | -38.4 | 15.6 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 1 | 1 | 1 | n.a. | -10.1 | .0 | --- | --- |
| Construction | 319 | n.a. | 5 | 3 | 2 | n.a. | 1.0 | -60.0 | --- | --- |
| Wholesale trade | 191 | n.a. | 2 | 0 | 2 | n.a. | -27.1 | .0 | --- | --- |
| Retail trade | 688 | n.a. | 7 | 7 | 4 | n.a. | -4.2 | -42.9 | --- | --- |
| Commercial services | 238 | n.a. | 1 | 4 | 2 | n.a. | -24.0 | 100.0 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 15.2% vs. 12.6% in U.S., to \$14.2 billion
- Farm personal income up 59.4% vs. 26.3% in U.S.

Employment

- Down 1.7% vs. 3.9% increase in U.S., to 855,000

Unemployment

- Up 13,000, to 70,000
- Rate up to 7.5% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 2.8% vs. 16.8% in U.S., to \$413.7 million
- Valuation of nonbuilding contracts down 34.8% vs. 22.2% increase in U.S.
- Number of dwelling-unit starts down 2.6% vs. near stability in U.S., to 5,454

TABLE 1.—Summary of Economic Indicators, United States and Arkansas Through Fourth Quarter, 1978

| | United States | | | Arkansas | | | U.S. | State | U.S. | State |
|--|--|------------|----------|----------|----------|---------|-----------------------|--------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 12,038 | 12,369 | 13,888 | 14,246 | 12.4 | 15.4 | 12.6 | 15.2 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 6,739 | 6,931 | 7,606 | 7,799 | 12.1 | 12.9 | 12.6 | 12.5 |
| Civilian employment (thousands) | 92,442 | 96,010 | 883 | 869 | 883 | 855 | 4.1 | — .1 | 3.9 | — 1.7 |
| Unemployment (thousands) | 6,149 | 5,605 | 55 | 57 | 56 | 70 | — 9.8 | 1.6 | — 8.8 | 22.0 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 5.9 | 6.2 | 6.0 | 7.5 | — — — | — — — | — — — | — — — |
| Total loans (millions of dollars) | 610,502 | n.a. | 4,741 | 4,888 | 5,363 | n.a. | 16.3 | 13.1 | — — — | — — — |
| Total deposits (millions of dollars) | 925,511 | n.a. | 7,013 | 7,447 | 7,774 | n.a. | 11.5 | 10.9 | — — — | — — — |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 436,707 | 402,571 | 525,187 | 413,670 | 14.5 | 20.3 | 16.8 | 2.8 |
| Dwelling units started (number) | 445,772 | 443,075 | 5,702 | 5,601 | 6,507 | 5,454 | 1.0 | 14.1 | — .6 | — 2.6 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | — — — | 11.2 | — — — |
| New business incorporations (number)..... | 109,411 | n.a. | 965 | 912 | 860 | n.a. | 8.2 | — 10.9 | — — — | — — — |
| Business failures (number) | 1,684 | n.a. | 12 | 12 | 12 | n.a. | — 9.5 | .0 | — — — | — — — |
| Consumer Price Index (1967 = 100): U.S. city average..... | 185.3 | 201.8 | — — — | — — — | — — — | — — — | 7.9 | — — — | 8.9 | — — — |

n.a.: Data not available.

Source: See tables 2 through 8.

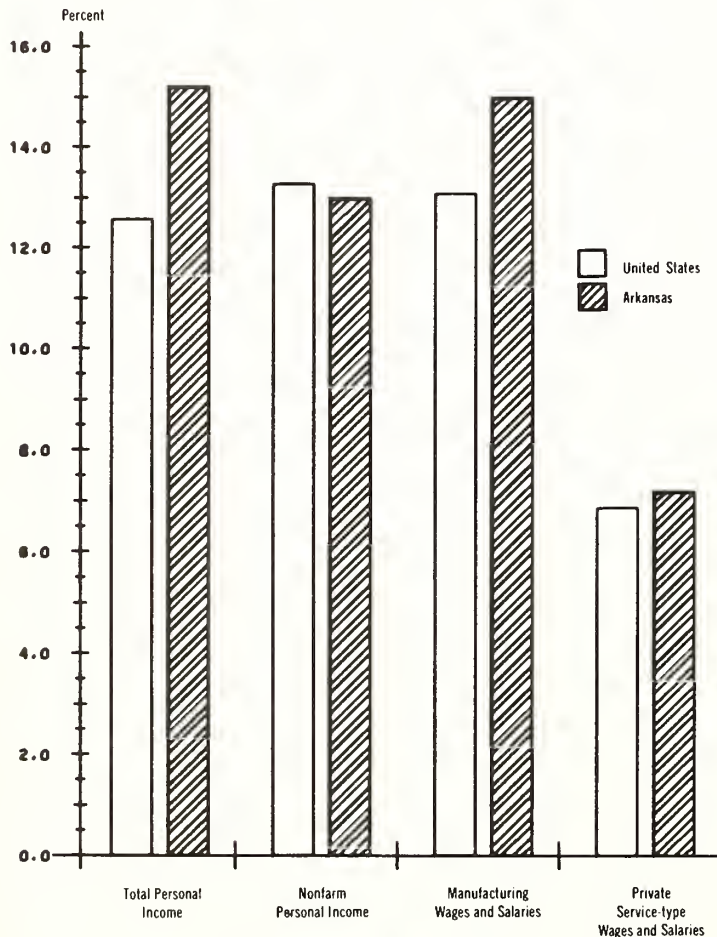
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 15.2 percent from 1977:IV to 1978:IV, compared with a 12.6-percent national increase (table 2). In 1978:IV, the State's personal income totaled \$14.2 billion, up \$1.9 billion since 1977:IV.

Arkansas' increase in personal income, the largest in the Southeast region, would have been considerably smaller had it not been for a 59.4-percent increase in farm personal income, compared with a 26.3-percent national gain. The State's nonfarm personal income increased 12.2 percent from year to year, almost the same as nationally. In contrast, since the last national business cycle peak in 1973:IV, Arkansas' nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 17 percent more than nationally, ranking Arkansas 16th among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Wage and salary disbursements (payrolls) in the State increased 12.5 percent from 1977:IV to 1978:IV, a fraction less than nationally. In 1978:IV, they totaled \$7.8 billion, up \$868 million since 1977:IV. Durable goods manufacturing payrolls increased 14.1 percent in the State versus 15.2 percent nationally, and nondurables manufacturing payrolls increased 11.7 percent versus 10.0 percent.

Within Arkansas' private service-type industry group, payrolls increased more slowly than nationally only in finance-insurance-real estate—11.4 percent versus 13.2 percent. Payrolls in transportation-communication-public utilities increased 12.6 percent in the State versus 11.3 percent nationally, and trade payrolls increased 17.5 percent versus 14.1 percent nationally. Services payrolls increased 14.4 percent in the State and 12.7 percent nationally.

Payrolls in construction increased only 9.1 percent in Arkansas, less than one-half of the national gain. The State's increase ranked 48th in the Nation. Federal Government payrolls increased 8.2 percent from year to year versus 7.1 percent nationally, and State and local government payrolls increased 6.7 percent, a fraction less than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 13.9 percent, the sixth smallest decline in the Nation. State unemployment insurance benefits throughout the Nation declined 30.3 percent.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

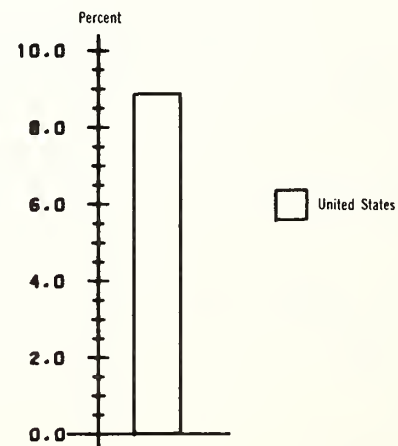


Chart 3.—Total Personal Income:
[Seasonally adjusted]

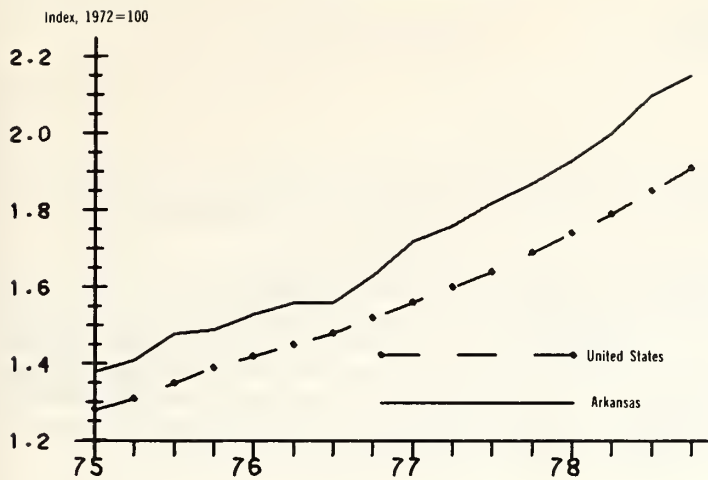


Chart 4.—Industrial Composition of Wages and Salaries: Arkansas
[Seasonally adjusted]

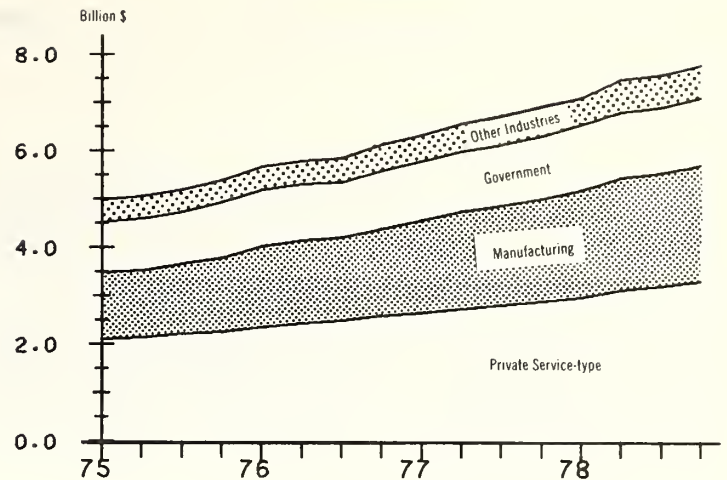


TABLE 2.—Personal Income, United States and Arkansas Through Fourth Quarter, 1978

| | United States | | | Arkansas | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 12,038 | 12,369 | 13,888 | 14,246 | 12.4 | 15.4 | 12.6 | 15.2 |
| Farm personal income | 31,224 | 39,451 | 775 | 785 | 1,227 | 1,252 | 47.9 | 58.3 | 26.3 | 59.4 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 11,262 | 11,584 | 12,661 | 12,994 | 11.9 | 12.4 | 12.3 | 12.2 |
| Total personal income | 1,583,508 | 1,782,519 | 12,038 | 12,369 | 13,888 | 14,246 | 12.4 | 15.4 | 12.6 | 15.2 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 6,739 | 6,931 | 7,606 | 7,799 | 12.1 | 12.9 | 12.6 | 12.5 |
| Other labor income | 96,016 | 111,719 | 696 | 725 | 818 | 839 | 17.0 | 17.6 | 16.4 | 15.8 |
| Proprietors' income | 105,953 | 125,995 | 1,465 | 1,486 | 2,008 | 2,058 | 21.5 | 37.0 | 18.9 | 38.5 |
| Farm | 23,636 | 31,044 | 677 | 683 | 1,122 | 1,143 | 66.6 | 65.6 | 31.3 | 67.3 |
| Nonfarm | 82,317 | 94,951 | 788 | 802 | 886 | 915 | 12.8 | 12.4 | 15.3 | 14.1 |
| Dividends, interest, and rent | 214,992 | 242,442 | 1,549 | 1,584 | 1,723 | 1,771 | 12.3 | 11.3 | 12.8 | 11.8 |
| Transfer payments | 215,944 | 233,750 | 2,051 | 2,111 | 2,264 | 2,315 | 8.8 | 10.4 | 8.2 | 9.7 |
| State unemployment insurance benefits | 11,128 | 7,753 | 55 | 78 | 55 | 67 | -24.0 | .1 | -30.3 | -13.9 |
| Less: personal contributions | 62,212 | 71,610 | 470 | 478 | 542 | 549 | 14.8 | 15.3 | 15.1 | 14.8 |
| Plus: residence adjustment | -401 | -473 | 8 | 10 | 10 | 12 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 6,739 | 6,931 | 7,606 | 7,799 | 12.1 | 12.9 | 12.6 | 12.5 |
| Farm | 7,176 | 7,939 | 96 | 100 | 103 | 106 | 8.5 | 7.3 | 10.6 | 6.4 |
| Nonfarm | 1,006,040 | 1,132,757 | 6,643 | 6,831 | 7,503 | 7,693 | 12.1 | 12.9 | 12.6 | 12.6 |
| Mining | 14,048 | 18,813 | 67 | 65 | 80 | 81 | 26.5 | 18.3 | 33.9 | 23.9 |
| Construction | 55,648 | 66,858 | 415 | 419 | 466 | 457 | 19.1 | 12.2 | 20.1 | 9.1 |
| Manufacturing | 276,112 | 312,970 | 2,064 | 2,124 | 2,345 | 2,401 | 12.1 | 13.6 | 13.3 | 13.0 |
| Durable goods | 176,216 | 203,053 | 1,124 | 1,180 | 1,285 | 1,347 | 13.7 | 14.3 | 15.2 | 14.1 |
| Nondurable goods | 99,896 | 109,917 | 940 | 944 | 1,060 | 1,054 | 9.4 | 12.8 | 10.0 | 11.7 |
| Private service-type | 455,764 | 515,348 | 2,819 | 2,893 | 3,224 | 3,326 | 12.8 | 14.3 | 13.1 | 15.0 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 536 | 551 | 606 | 620 | 10.4 | 13.1 | 11.3 | 12.6 |
| Wholesale and retail trade | 170,888 | 195,035 | 1,169 | 1,188 | 1,352 | 1,395 | 13.6 | 15.6 | 14.1 | 17.5 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 291 | 302 | 326 | 336 | 14.1 | 12.0 | 13.2 | 11.4 |
| Services | 153,840 | 173,396 | 823 | 852 | 940 | 975 | 12.6 | 14.1 | 12.7 | 14.4 |
| Government | 201,252 | 215,083 | 1,251 | 1,303 | 1,358 | 1,397 | 7.4 | 8.6 | 6.9 | 7.2 |
| Federal | 68,176 | 73,003 | 419 | 434 | 451 | 470 | 7.3 | 7.4 | 7.1 | 8.2 |
| State and local | 133,076 | 142,080 | 832 | 869 | 908 | 927 | 7.5 | 9.1 | 6.8 | 6.7 |
| Other | 3,216 | 3,685 | 26 | 27 | 31 | 30 | 18.7 | 16.9 | 14.6 | 10.9 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Arkansas Through Fourth Quarter, 1978¹

| | United States | | | Arkansas | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|----------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | | | | | | | | | | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Arkansas' **civilian labor force** declined 0.2 percent versus a 3.1-percent U.S. increase (table 4). **Total employment** declined 1.7 percent versus a 3.9-percent U.S. increase, to 855,000.

With employment declining by about 14,000 and the labor force declining by about 2,000, the number of **unemployed** increased between 12,000 and 13,000, to 70,000. Arkansas' **unemployment rate** increased 1.3 percentage points, to 7.5 percent of the labor force—the fourth highest rate in the Nation, after the 11.0-percent rate registered in Alaska and the 7.8-percent rate registered in both Hawaii and the

District of Columbia. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among Arkansas' major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 7.8 percent, ranged from 10.7 percent in Fort Smith to 5.8 percent in Fayetteville-Springdale and 5.9 percent in Little Rock-North Little Rock. From December 1977 to December 1978, the unemployment rate increased 4.1 percentage points in Fort Smith, compared with an increase of 1.2 percentage points statewide; Fort Smith's increase was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Arkansas

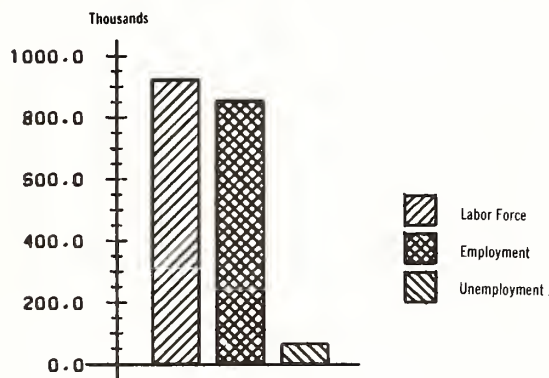


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

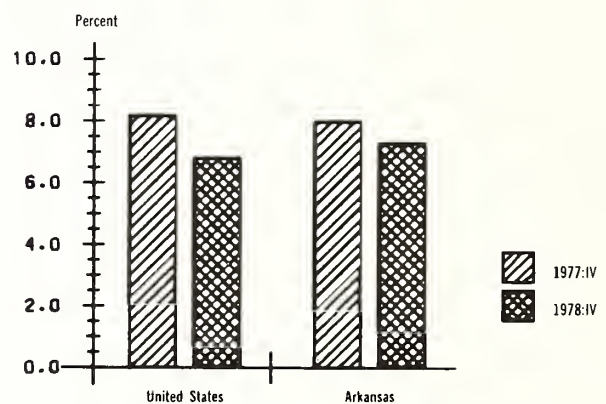


TABLE 4.—Labor Force, United States and Arkansas Through Fourth Quarter, 1978

| | United States | | | Arkansas | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 702 | 711 | 730 | 732 | 4.3 | 4.0 | 4.2 | 2.9 |
| Mining | 787 | 899 | 5 | 5 | 5 | 5 | 8.2 | 13.0 | 14.2 | 8.7 |
| Construction | 4,032 | 4,488 | 40 | 39 | 42 | 40 | 10.4 | 7.1 | 11.3 | 3.9 |
| Manufacturing | 19,986 | 20,722 | 214 | 214 | 218 | 215 | 3.1 | 2.0 | 3.7 | .5 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 39 | 39 | 41 | 42 | 3.8 | 5.7 | 4.4 | 9.1 |
| Wholesale and retail trade | 19,152 | 20,015 | 152 | 154 | 161 | 162 | 5.3 | 5.9 | 4.5 | 5.0 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 30 | 30 | 31 | 31 | 4.8 | 3.7 | -2.0 | 2.7 |
| Services | 15,539 | 16,215 | 99 | 98 | 103 | 102 | 4.6 | 3.8 | 4.4 | 3.8 |
| Government | 15,434 | 15,656 | 124 | 133 | 129 | 135 | 2.1 | 3.6 | 1.4 | 1.6 |
| Civilian labor force ³ | 98,591 | 101,615 | 939 | 926 | 939 | 924 | 3.2 | .0 | 3.1 | -2 |
| Total employed | 92,442 | 96,010 | 883 | 869 | 883 | 855 | 4.1 | -.1 | 3.9 | -1.7 |
| Total unemployed | 6,149 | 5,605 | 55 | 57 | 56 | 70 | -9.8 | 1.6 | -8.8 | 22.0 |
| Percent unemployed | 6.2 | 5.5 | 5.9 | 6.2 | 6.0 | 7.5 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

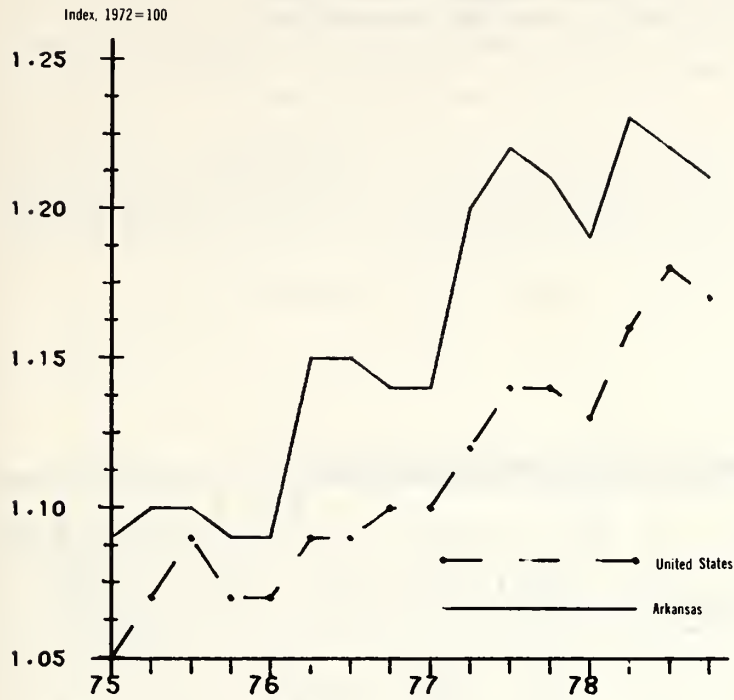


Chart 8.—Civilian Employment

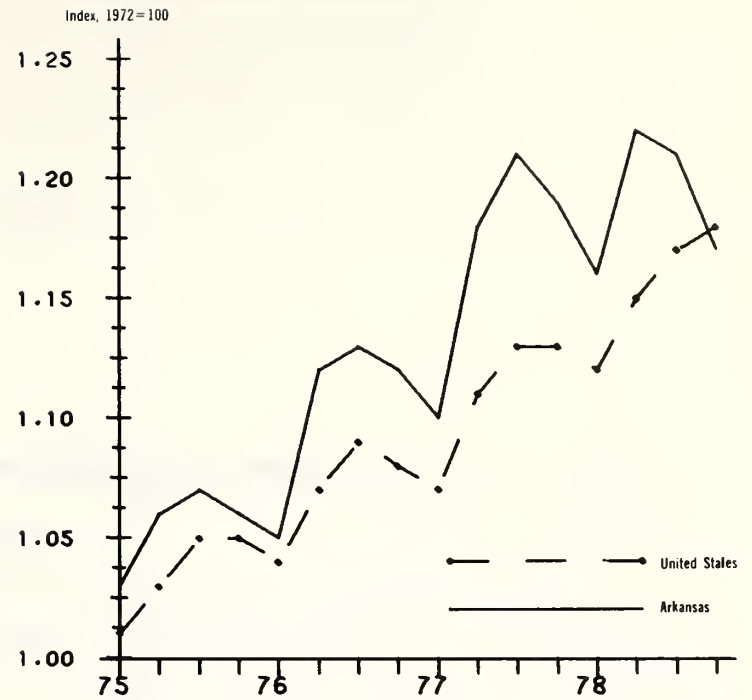


Chart 9.—Unemployment Rate

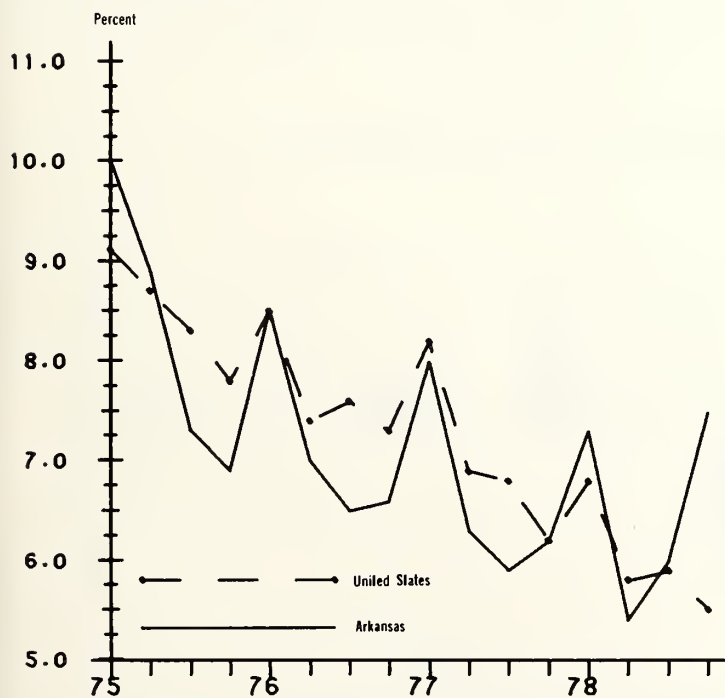
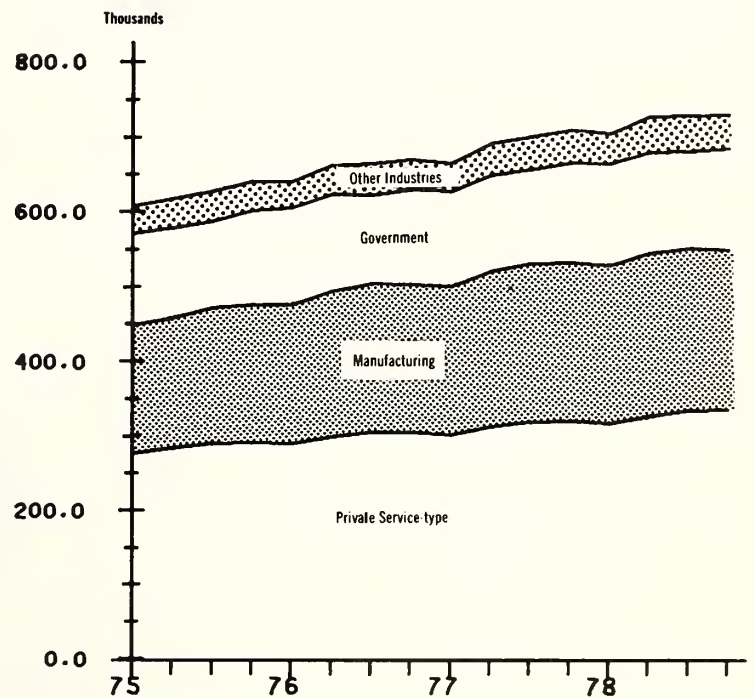


Chart 10.—Industrial Composition of Nonagricultural Employment: Arkansas



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Arkansas Through Fourth Quarter, 1978

| | United States | | | Arkansas | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 4,741 | 4,888 | 5,363 | n.a. | 16.3 | 13.1 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 1,139 | 1,218 | 1,259 | n.a. | 14.2 | 10.5 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 1,319 | 1,362 | 1,444 | n.a. | 20.2 | 9.5 | --- | --- |
| Real estate | 177,935 | n.a. | 1,620 | 1,720 | 1,957 | n.a. | 19.9 | 20.8 | --- | --- |
| Residential | 101,236 | n.a. | 693 | 768 | 919 | n.a. | 21.3 | 32.5 | --- | --- |
| Farms | 7,731 | n.a. | 284 | 285 | 303 | n.a. | 10.7 | 6.4 | --- | --- |
| Other | 68,968 | n.a. | 643 | 668 | 735 | n.a. | 19.0 | 14.4 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 444 | 373 | 478 | n.a. | 6.8 | 7.8 | --- | --- |
| Other | 69,947 | n.a. | 220 | 215 | 226 | n.a. | 8.0 | 3.0 | --- | --- |
| Total deposits | 925,511 | n.a. | 7,013 | 7,447 | 7,774 | n.a. | 11.5 | 10.9 | --- | --- |
| Demand | 377,683 | n.a. | 2,664 | 2,926 | 2,862 | n.a. | 10.2 | 7.4 | --- | --- |
| Time and savings | 547,828 | n.a. | 4,349 | 4,521 | 4,912 | n.a. | 12.3 | 13.0 | --- | --- |

1 Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased only 2.8 percent (\$11.1 million), to \$413.7 million (table 6). The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Arkansas sustained a real decline of about 10 percent versus a real increase of about 4 percent nationally.

Residential housekeeping contracts increased 13.8 percent in valuation, compared with a national increase of 15.6 percent. The number of dwelling units started declined 2.6 percent '147), to 5,454. Nationally, the number of dwelling units started remained almost unchanged at a high level. Additions and alterations to residential housekeeping units, unlike

new construction, increased more than one-third in valuation, well over twice the national increase. Arkansas' 34.3-percent increase ranked third in the Nation, after Nevada's and Mississippi's.

The valuation of nonbuilding contracts declined 34.8 percent in the State versus a 22.2-percent increase nationally. Arkansas' decline was one of the largest in the Nation. Street and highway contracts, a component of nonbuilding, declined 73.3 percent in valuation, compared with a national decline of 16.3 percent.

Nonresidential contracts declined 14.1 percent in valuation, one of the largest declines in the Nation. Nationally, nonresidential contracts increased 15.8 percent in valuation.

Chart 14.—Construction Contracts—Total Valuation

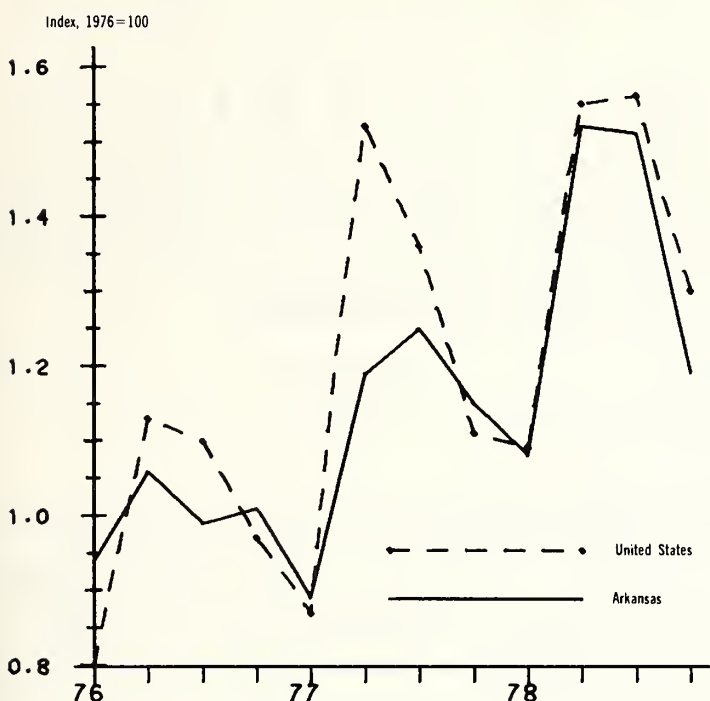


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Arkansas

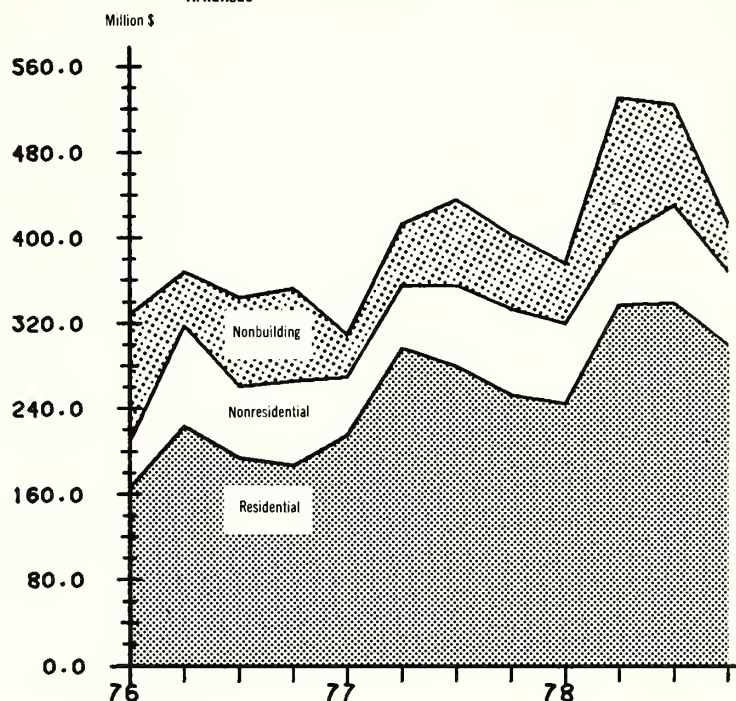


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

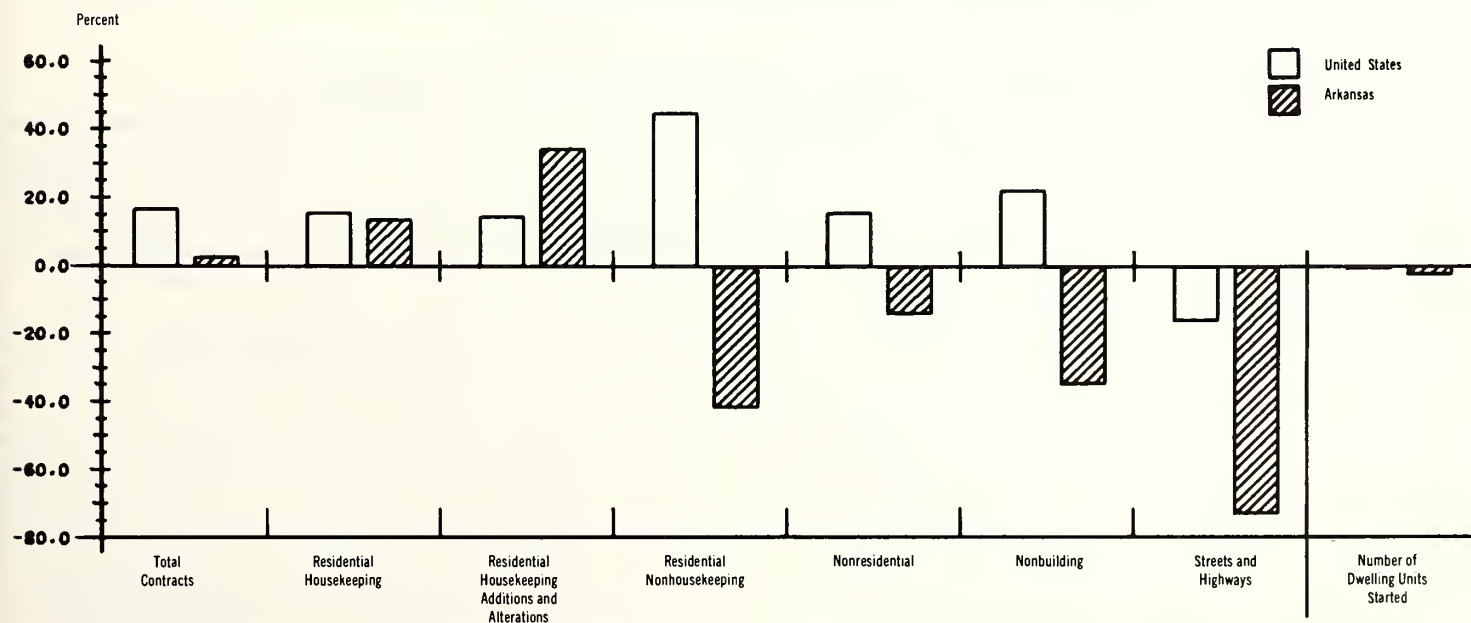


TABLE 6.—Construction Contracts, United States and Arkansas Through Fourth Quarter, 1978¹

| | United States | | | Arkansas | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 436,707 | 402,571 | 525,187 | 413,670 | 14.5 | 20.3 | 16.8 | 2.8 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars)..... | 7,707,987 | 8,832,353 | 85,115 | 66,861 | 97,593 | 89,785 | 16.8 | 14.7 | 14.6 | 34.3 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 803 | 738 | 859 | 633 | 4.4 | 7.0 | -9.3 | -14.2 |
| Valuation (thousands of dollars)..... | 31,205,124 | 36,627,420 | 351,592 | 335,710 | 427,594 | 323,885 | 14.0 | 21.6 | 17.4 | -3.5 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 11,108 | 10,551 | 12,844 | 10,839 | 10.8 | 15.6 | 10.2 | 2.7 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 292 | 299 | 267 | 260 | -5.1 | -8.6 | -4.3 | -13.0 |
| Number of dwelling units | 445,772 | 443,075 | 5,702 | 5,601 | 6,507 | 5,454 | 1.0 | 14.1 | -6 | -2.6 |
| Valuation (thousands of dollars)..... | 14,879,596 | 17,198,518 | 191,396 | 182,400 | 241,907 | 207,585 | 15.3 | 26.4 | 15.6 | 13.8 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 8,012 | 7,497 | 9,772 | 8,258 | 10.3 | 22.0 | 10.7 | 10.1 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 9 | 7 | 2 | 5 | -10.0 | -77.8 | -4 | -28.6 |
| Valuation (thousands of dollars)..... | 338,637 | 490,279 | 3,497 | 3,557 | 133 | 2,078 | 9.4 | -96.2 | 44.8 | -41.6 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 61 | 127 | 7 | 61 | -7 | -89.4 | 24.7 | -51.9 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 249 | 263 | 232 | 181 | -2.5 | -6.8 | -12.0 | -31.2 |
| Valuation (thousands of dollars)..... | 9,334,415 | 10,810,769 | 75,837 | 80,404 | 91,331 | 69,041 | 27.6 | 20.4 | 15.8 | -14.1 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 3,035 | 2,927 | 3,066 | 2,521 | 12.2 | 1.0 | 8.9 | -13.9 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 253 | 169 | 358 | 187 | 22.4 | 41.5 | -9.1 | 10.7 |
| Valuation (thousands of dollars)..... | 6,652,476 | 8,127,854 | 80,862 | 69,349 | 94,223 | 45,181 | -.1 | 16.5 | 22.2 | -34.8 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 154 | 84 | 138 | 47 | 9.3 | -10.4 | -17.8 | -44.0 |
| Valuation (thousands of dollars)..... | 2,308,681 | 1,931,341 | 46,128 | 41,309 | 34,513 | 11,016 | 3.0 | -25.2 | -16.3 | -73.3 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Arkansas are not available.

TABLE 7.—Retail Sales, United States and Arkansas Through Fourth Quarter, 1978

| | United States | | | Arkansas | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|----------|----------|---------|-----------------------|----------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Millions of dollars, not seasonally adjusted | | | | | | | Percent change | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods..... | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Arkansas Through Fourth Quarter, 1978

| | United States | | | Arkansas | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 965 | 912 | 860 | n.a. | 8.2 | -10.9 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 12 | 12 | 12 | n.a. | -9.5 | .0 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 1,606 | 1,065 | 1,198 | n.a. | -44.2 | -25.4 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 134 | 89 | 100 | n.a. | -38.4 | -25.4 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 1 | 1 | 2 | n.a. | -10.1 | 100.0 | --- | --- |
| Construction | 319 | n.a. | 2 | 2 | 3 | n.a. | 1.0 | 50.0 | --- | --- |
| Wholesale trade | 191 | n.a. | 2 | 1 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 7 | 6 | 5 | n.a. | -4.2 | -28.6 | --- | --- |
| Commercial services | 238 | n.a. | 0 | 2 | 2 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



CALIFORNIA

Highlights

1977:IV to 1978:IV

| | |
|------------------------|---|
| Personal income | —Up 15.5% vs. 12.6% in U.S., to \$209 billion —Nonfarm proprietors' income up 22.0%, largest gain in U.S. —State and local government payrolls up 0.6%, smallest gain in U.S. |
| Consumer prices | —Up 7.8% in Los Angeles-Long Beach, 11.7% in San Diego, and 7.6% in San Francisco vs. 8.9% in U.S. |
| Employment | —Up 5.0% vs. 3.9% in U.S., to 10.0 million |
| Unemployment | —Down 112,000, to 649,000 —Rate down 1.3 percentage points, to 6.1% of labor force vs. 5.5% in U.S. |
| Construction | —Total valuation of contracts up 1.7% vs. 16.8% in U.S., to \$4.4 billion —Number of dwelling-unit starts down 20.4% vs. near stability in U.S., to 44,433 |
| Retail sales | —Up 11.7% vs. 11.2% in U.S., to almost \$23.5 billion |

TABLE 1.—Summary of Economic Indicators, United States and California Through Fourth Quarter, 1978

| | United States | | | California | | | U.S. | State | U.S. | State |
|--|--|------------|-----------|------------|-----------|-----------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 174,335 | 180,855 | 201,188 | 208,818 | 12.4 | 15.4 | 12.6 | 15.5 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 111,393 | 115,889 | 127,347 | 132,025 | 12.1 | 14.3 | 12.6 | 13.9 |
| Civilian employment (thousands) | 92,442 | 96,010 | 9,444 | 9,531 | 9,916 | 10,008 | 4.1 | 5.0 | 3.9 | 5.0 |
| Unemployment (thousands) | 6,149 | 5,605 | 825 | 761 | 764 | 649 | -9.8 | -7.4 | -8.8 | -14.7 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 8.0 | 7.4 | 7.2 | 6.1 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 66,127 | 70,510 | 81,281 | n.a. | 16.3 | 22.9 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 94,177 | 101,125 | 108,668 | n.a. | 11.5 | 15.4 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 4,490,093 | 4,359,666 | 5,462,545 | 4,433,647 | 14.5 | 21.7 | 16.8 | 1.7 |
| Dwelling units started (number) | 445,772 | 443,075 | 64,096 | 55,823 | 58,250 | 44,433 | 1.0 | -9.1 | -6 | -20.4 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 19,404 | 21,013 | 21,397 | 23,464 | 10.3 | 10.3 | 11.2 | 11.7 |
| New business incorporations (number) | 109,411 | n.a. | 12,318 | 12,795 | 12,437 | n.a. | 8.2 | 1.0 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 284 | 248 | 295 | n.a. | -9.5 | 3.9 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Los Angeles—Long Beach | --- | --- | 180.9 | 183.0 | 195.2 | 197.2 | --- | 7.9 | --- | 7.8 |
| San Diego | --- | --- | 184.1 | 186.6 | 203.5 | 208.5 | --- | 10.5 | --- | 11.7 |
| San Francisco—Oakland | --- | --- | 184.0 | 187.3 | 204.0 | 201.5 | --- | 10.9 | --- | 7.6 |

n.a.: Data not available.

Source: See tables 2 through 8.

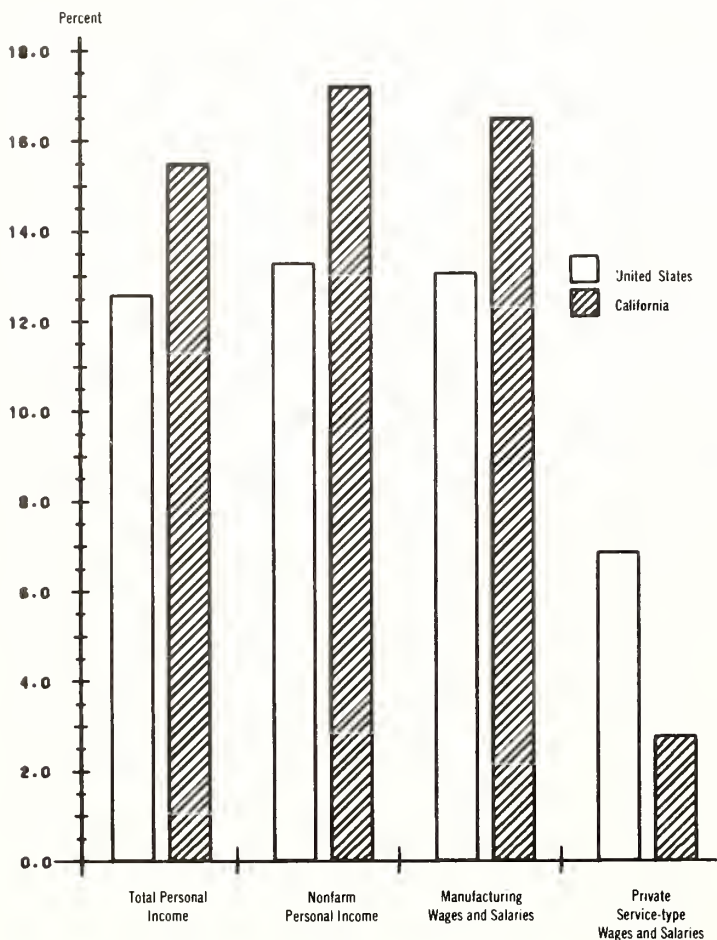
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 15.5 percent in California from 1977:IV to 1978:IV (table 2). The gain exceeded the Nation's by almost 3 percentage points and ranked ninth among all State gains. In 1978:IV, California's personal income totaled \$209 billion, up \$28 billion since 1977:IV. During this timespan, **consumer prices** increased 7.6 percent in the San Francisco-Oakland metropolitan area, 7.8 percent in Los Angeles-Long Beach, and 11.7 percent in San Diego (table 3). If the average of the price increases in the three areas (9.0 percent) is used as an indicator for price increases throughout the State, real total personal income in California increased 6.5 percent from year to year versus 3.7 percent nationally.

Since the last national business cycle peak in 1973:IV, California's economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 19 percent more than nationally, ranking California 13th among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Nonfarm proprietors' income increased 22.0 percent from 1977:IV to 1978:IV, to \$13.0 billion. Dividends, interest, and rental income increased 20.6 percent, to \$29.3 billion. Both rates of increase were higher than in any other State. It can be assumed that in 1978:IV, the property tax reduction due to Proposition 13 was not passed on to consumers in the form of rent and price reductions, thus resulting in sharp increases in both proprietors' and rental income.

Wage and salary disbursements (payrolls) in California increased 13.9 percent from year to year, as nearly all major private industries registered payroll increases that led national counterparts. Private service-type industry payrolls increased 16.5 percent, to \$64.4 billion; the gain led the Nation's 13.1-percent gain and ranked seventh among all State gains. The four major private service-type industry components registered payroll gains of from 15.7 to 16.9 percent. Durables manufacturing payrolls increased 19.2 percent, 4 percentage points above the Nation's increase, to \$21.3 billion. Despite a strike by paper industry workers that lasted all of 1978:IV, nondurables manufacturing payrolls increased 12.8 percent, leading the Nation's increase of 10.0 percent. Construction payrolls increased 21.9 percent, compared with 20.1 percent nationally. Federal Government payrolls increased 7.4 percent, marginally above the Nation's 7.1-percent average increase, to \$9.0 billion.

State and local government payrolls, reflecting the effect of wage freezes and layoffs stemming from Proposition 13, increased 0.6 percent, the smallest gain registered among all States. State and local government payrolls in the remaining 49 States and the District of Columbia increased 7.7 percent over the same timespan.

With California's economy expanding, State unemployment insurance benefits declined 21.9 percent, to \$980 million.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

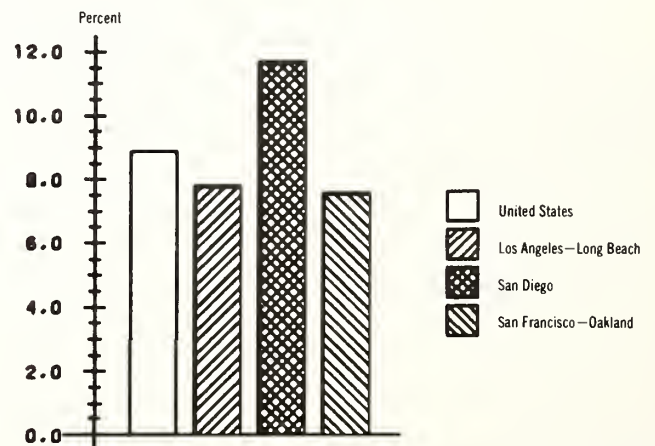


Chart 3.—Total Personal Income
[Seasonally adjusted]

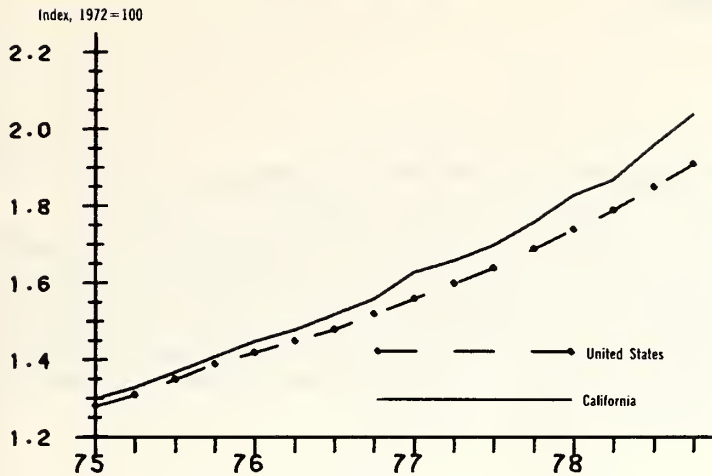


Chart 4.—Industrial Composition of Wages and Salaries: California
[Seasonally adjusted]

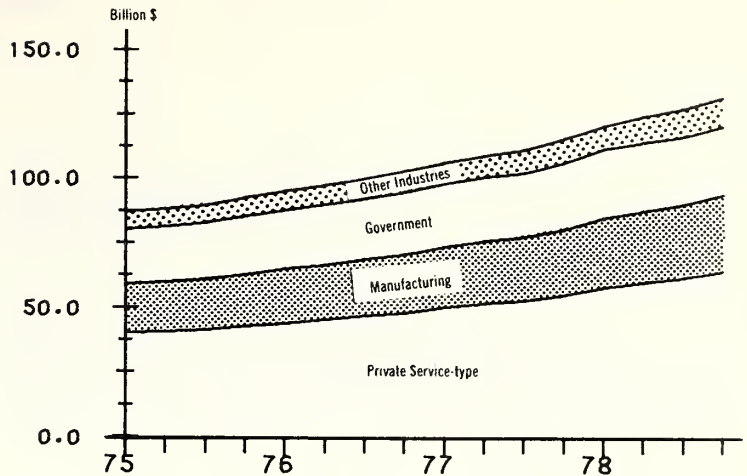


TABLE 2.—Personal Income, United States and California Through Fourth Quarter, 1978

| | United States | | | California | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 174,335 | 180,855 | 201,188 | 208,818 | 12.4 | 15.4 | 12.6 | 15.5 |
| Farm personal income | 31,224 | 39,451 | 3,408 | 4,091 | 4,910 | 6,112 | 47.9 | 44.1 | 26.3 | 49.4 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 170,927 | 176,764 | 196,278 | 202,706 | 11.9 | 14.8 | 12.3 | 14.7 |
| Total personal income | 1,583,508 | 1,782,519 | 174,335 | 180,855 | 201,188 | 208,818 | 12.4 | 15.4 | 12.6 | 15.5 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 111,393 | 115,889 | 127,347 | 132,025 | 12.1 | 14.3 | 12.6 | 13.9 |
| Other labor income | 96,016 | 111,719 | 9,561 | 10,051 | 11,480 | 11,953 | 17.0 | 20.1 | 16.4 | 18.9 |
| Proprietors' income | 105,953 | 125,995 | 12,332 | 13,151 | 15,690 | 17,309 | 21.5 | 27.2 | 18.9 | 31.6 |
| Farm | 23,636 | 31,044 | 1,818 | 2,453 | 3,151 | 4,261 | 66.6 | 73.3 | 31.3 | 73.8 |
| Nonfarm | 82,317 | 94,951 | 10,513 | 10,698 | 12,540 | 13,048 | 12.8 | 19.3 | 15.3 | 22.0 |
| Dividends, interest, and rent | 214,992 | 242,442 | 23,802 | 24,325 | 28,572 | 29,340 | 12.3 | 20.0 | 12.8 | 20.6 |
| Transfer payments | 215,944 | 233,750 | 24,273 | 24,701 | 26,448 | 26,790 | 8.8 | 9.0 | 8.2 | 8.5 |
| State unemployment insurance benefits | 11,128 | 7,753 | 1,287 | 1,254 | 1,057 | 980 | -24.0 | -17.9 | -30.3 | -21.9 |
| Less: personal contributions | 62,212 | 71,610 | 7,055 | 7,282 | 8,357 | 8,608 | 14.8 | 18.5 | 15.1 | 18.2 |
| Plus: residence adjustment | -401 | -473 | 29 | 20 | 9 | 9 | - | - | - | - |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 111,393 | 115,889 | 127,347 | 132,025 | 12.1 | 14.3 | 12.6 | 13.9 |
| Farm | 7,176 | 7,939 | 1,446 | 1,489 | 1,596 | 1,678 | 8.5 | 10.3 | 10.6 | 12.7 |
| Nonfarm | 1,006,040 | 1,132,757 | 109,947 | 114,400 | 125,751 | 130,346 | 12.1 | 14.4 | 12.6 | 13.9 |
| Mining | 14,048 | 18,813 | 690 | 685 | 846 | 869 | 26.5 | 22.6 | 33.9 | 26.7 |
| Construction | 55,648 | 66,858 | 6,019 | 6,324 | 7,474 | 7,711 | 19.1 | 24.2 | 20.1 | 21.9 |
| Manufacturing | 276,112 | 312,970 | 24,755 | 25,497 | 28,436 | 29,892 | 12.1 | 14.9 | 13.3 | 17.2 |
| Durable goods | 176,216 | 203,053 | 17,202 | 17,854 | 20,084 | 21,273 | 13.7 | 16.8 | 15.2 | 19.2 |
| Nondurable goods | 99,896 | 109,917 | 7,553 | 7,643 | 8,351 | 8,619 | 9.4 | 10.6 | 10.0 | 12.8 |
| Private service-type | 455,764 | 515,348 | 52,713 | 55,269 | 62,011 | 64,416 | 12.8 | 17.6 | 13.1 | 16.5 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 8,068 | 8,161 | 9,113 | 9,440 | 10.4 | 13.0 | 11.3 | 15.7 |
| Wholesale and retail trade | 170,888 | 195,035 | 19,288 | 20,166 | 22,569 | 23,510 | 13.6 | 17.0 | 14.1 | 16.6 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 6,211 | 6,690 | 7,535 | 7,788 | 14.1 | 21.3 | 13.2 | 16.4 |
| Services | 153,840 | 173,396 | 19,147 | 20,252 | 22,795 | 23,678 | 12.6 | 19.0 | 12.7 | 16.9 |
| Government | 201,252 | 215,083 | 25,054 | 25,890 | 26,126 | 26,605 | 7.4 | 4.3 | 6.9 | 2.8 |
| Federal | 68,176 | 73,003 | 7,935 | 8,421 | 8,420 | 9,040 | 7.3 | 6.1 | 7.1 | 7.4 |
| State and local | 133,076 | 142,080 | 17,119 | 17,469 | 17,706 | 17,565 | 7.5 | 3.4 | 6.8 | .6 |
| Other | 3,216 | 3,685 | 716 | 734 | 857 | 854 | 18.7 | 19.8 | 14.6 | 16.3 |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and California Through Fourth Quarter, 1978¹

| | United States | | | California | | | U.S. | State | U.S. | State |
|--|---------------|---------|----------|------------|----------|----------------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Index, 1967=100, not seasonally adjusted | | | | | | Percent change | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Los Angeles—Long Beach | --- | --- | 180.9 | 183.0 | 195.2 | 197.2 | --- | 7.9 | --- | 7.8 |
| San Diego | --- | --- | 184.1 | 186.6 | 203.5 | 208.5 | --- | 10.5 | --- | 11.7 |
| San Francisco—Oakland | --- | --- | 184.0 | 187.3 | 204.0 | 201.5 | --- | 10.9 | --- | 7.6 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, California's **civilian labor force** increased 3.5 percent, compared with a 3.1-percent advance nationally (table 4). **Total employment** increased from 9.5 million to 10.0 million, a 5.0-percent advance that led the national average advance by more than 1 percentage point.

With employment increasing by 477,000 and the labor force increasing by only 365,000, the number of **unemployed** declined by 112,000. The **unemployment rate** declined 1.3 percentage points, to 6.1 percent of the labor force. While in 1977:IV, California's unemployment rate was 1.2

percentage points above the Nation's 6.2-percent rate, in 1978:IV, it was only 0.6 percentage point above the Nation's 5.5-percent rate.

Across the State, unemployment rates varied considerably. According to preliminary data for December 1978, unemployment rates in California's major metropolitan areas ranged from 4.1 percent in Anaheim-Santa Ana-Garden Grove to 11.2 percent in Stockton; the preliminary State rate was 6.3 percent. The two largest areas, Los Angeles-Long Beach and San Francisco-Oakland, both registered unemployment rates of 5.5 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: California

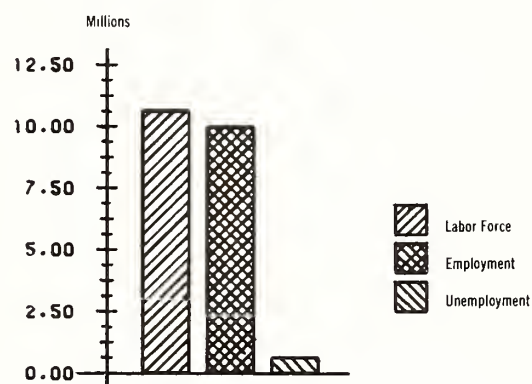


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

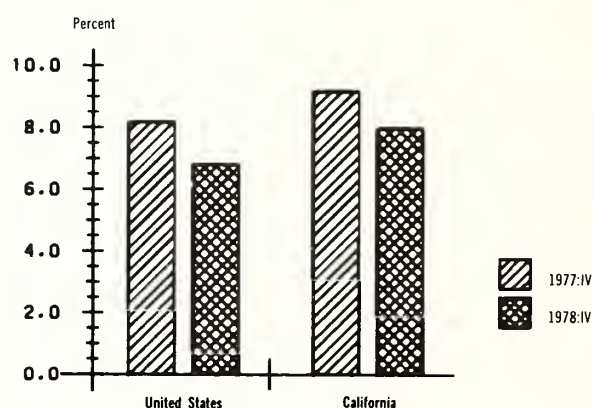


TABLE 4.—Labor Force, United States and California Through Fourth Quarter, 1978

| | United States | | | California | | | U.S. | State | U.S. | State |
|--|--|----------------|---------------|---------------|---------------|---------------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 8,588 | 8,704 | 9,088 | 9,260 | 4.3 | 5.8 | 4.2 | 6.4 |
| Mining..... | 787 | 899 | 36 | 36 | 36 | 36 | 8.2 | 1.7 | 14.2 | 2.0 |
| Construction..... | 4,032 | 4,488 | 376 | 380 | 427 | 428 | 10.4 | 13.5 | 11.3 | 12.7 |
| Manufacturing..... | 19,986 | 20,722 | 1,757 | 1,722 | 1,843 | 1,848 | 3.1 | 4.9 | 3.7 | 7.4 |
| Transportation, communication, and public utilities..... | 4,761 | 4,971 | 484 | 481 | 504 | 508 | 3.8 | 4.2 | 4.4 | 5.7 |
| Wholesale and retail trade..... | 19,152 | 20,015 | 1,989 | 2,037 | 2,143 | 2,213 | 5.3 | 7.7 | 4.5 | 8.7 |
| Finance, insurance, and real estate..... | 4,852 | 4,756 | 505 | 507 | 531 | 536 | 4.8 | 5.1 | -2.0 | 5.8 |
| Services..... | 15,539 | 16,215 | 1,760 | 1,774 | 1,889 | 1,920 | 4.6 | 7.3 | 4.4 | 8.2 |
| Government..... | 15,434 | 15,656 | 1,682 | 1,769 | 1,716 | 1,771 | 2.1 | 2.0 | 1.4 | .1 |
| Civilian labor force³ | 98,591 | 101,615 | 10,269 | 10,292 | 10,680 | 10,657 | 3.2 | 4.0 | 3.1 | 3.5 |
| Total employed..... | 92,442 | 96,010 | 9,444 | 9,531 | 9,916 | 10,008 | 4.1 | 5.0 | 3.9 | 5.0 |
| Total unemployed..... | 6,149 | 5,605 | 825 | 761 | 764 | 649 | -9.8 | -7.4 | -8.8 | -14.7 |
| Percent unemployed..... | 6.2 | 5.5 | 8.0 | 7.4 | 7.2 | 6.1 | — | — | — | — |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

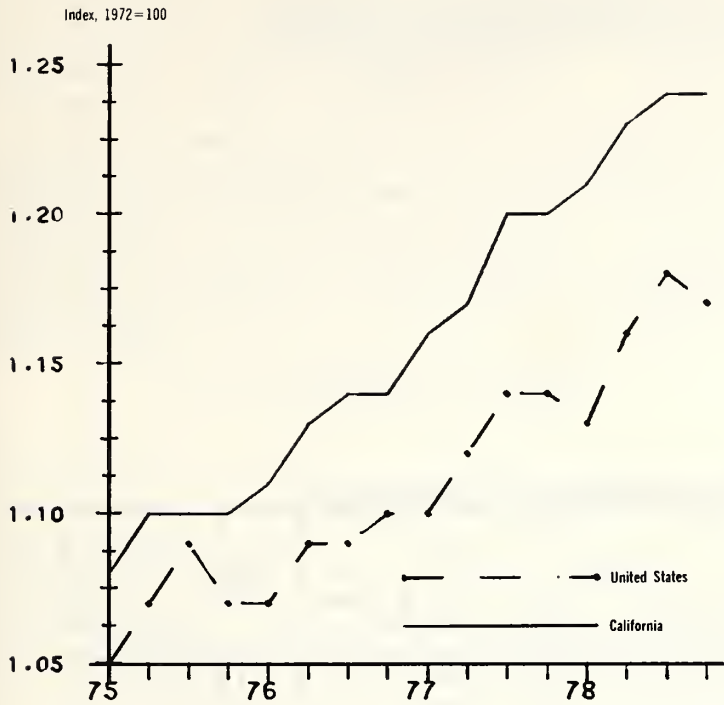


Chart 8.—Civilian Employment

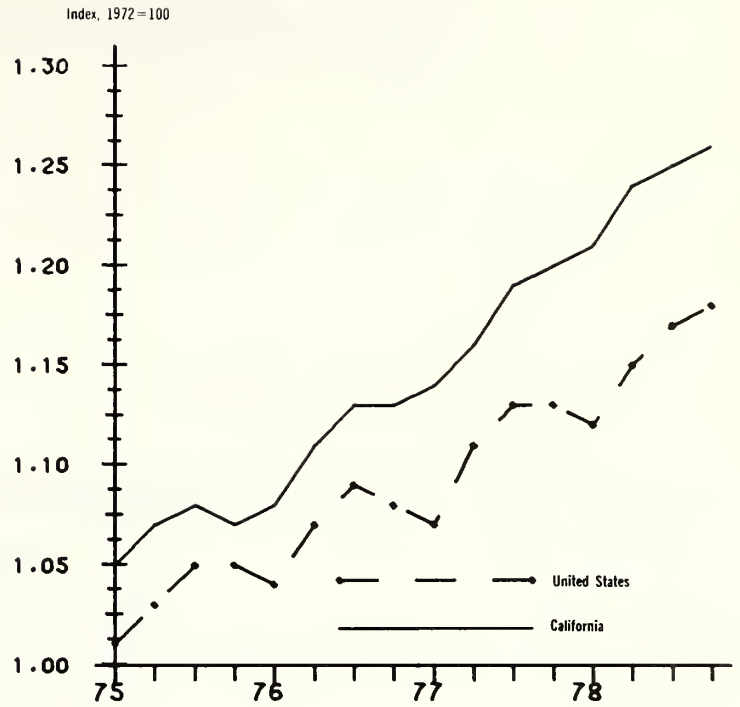


Chart 9.—Unemployment Rate.

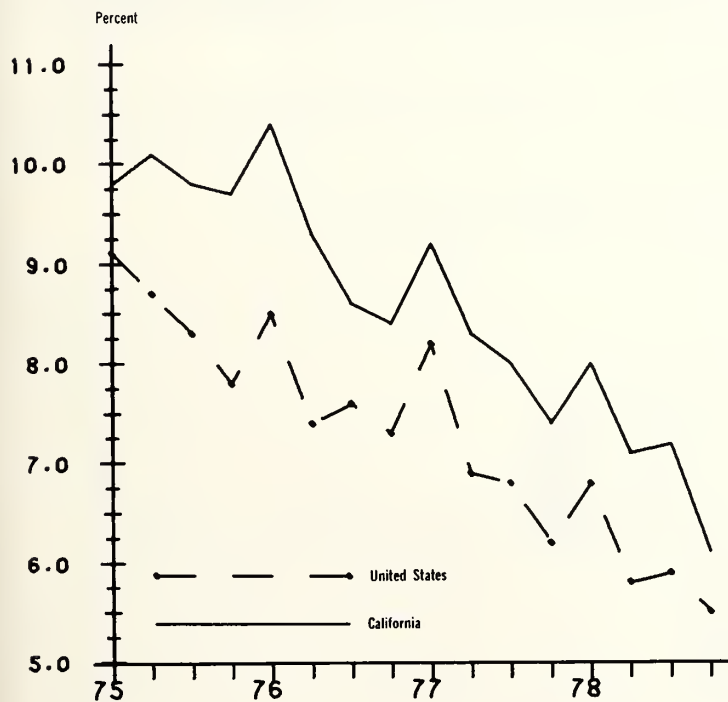
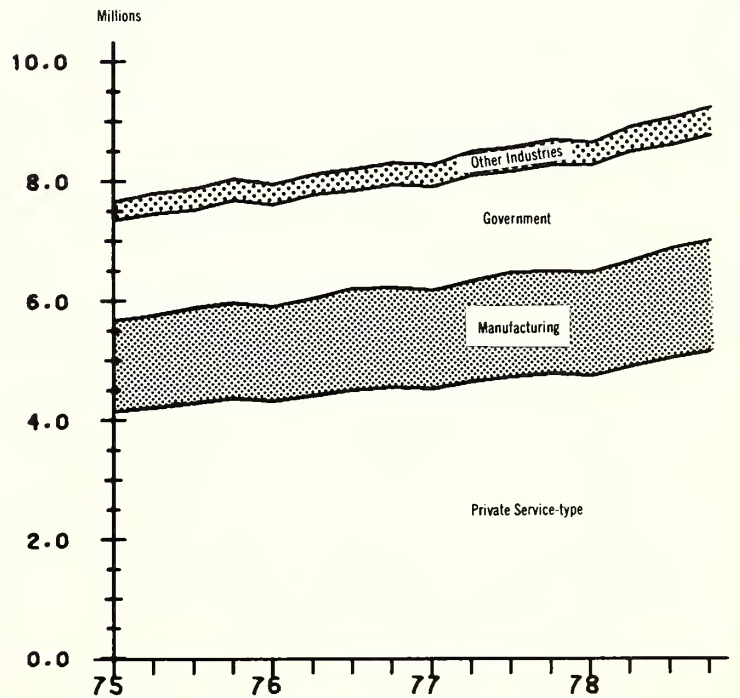


Chart 10.—Industrial Composition of Nonagricultural Employment: California



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and California Through Fourth Quarter, 1978

| | United States | | | California | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 66,127 | 70,510 | 81,281 | n.a. | 16.3 | 22.9 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 20,523 | 21,672 | 23,822 | n.a. | 14.2 | 16.1 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 13,591 | 14,648 | 17,783 | n.a. | 20.2 | 30.8 | --- | --- |
| Real estate | 177,935 | n.a. | 22,249 | 23,688 | 28,454 | n.a. | 19.9 | 27.9 | --- | --- |
| Residential | 101,236 | n.a. | 14,601 | 15,292 | 18,215 | n.a. | 21.3 | 24.7 | --- | --- |
| Farms | 7,731 | n.a. | 230 | 246 | 320 | n.a. | 10.7 | 38.8 | --- | --- |
| Other | 68,968 | n.a. | 7,418 | 8,151 | 9,920 | n.a. | 19.0 | 33.7 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 2,040 | 2,020 | 2,294 | n.a. | 6.8 | 12.5 | --- | --- |
| Other | 69,947 | n.a. | 7,724 | 8,482 | 8,928 | n.a. | 8.0 | 15.6 | --- | --- |
| Total deposits | 925,511 | n.a. | 94,177 | 101,125 | 108,668 | n.a. | 11.5 | 15.4 | --- | --- |
| Demand | 377,683 | n.a. | 34,580 | 37,551 | 38,534 | n.a. | 10.2 | 11.4 | --- | --- |
| Time and savings | 547,828 | n.a. | 59,596 | 63,574 | 70,134 | n.a. | 12.3 | 17.7 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in California rose only 1.7 percent from 1977:IV to 1978:IV, lagging the Nation's 16.8-percent average gain, to \$4.4 billion (table 6). National construction costs rose about 13 percent during the same timespan; if this rise reflects the advance throughout California, the real valuation of contracts declined about 11 percent in the State versus a national rise of about 4 percent.

Nonresidential contracts declined 6.8 percent in valuation versus a national gain of 15.8 percent. The decline totaled \$73.5 million, the largest dollar decline among all categories of construction in the State.

The valuation of nonbuilding contracts declined almost 10 percent, comparing unfavorably with a 22.2-percent gain nationally, to \$342 million. Streets and highways, a major component of nonbuilding contracts, declined 7.8 percent in valuation, less than one-half of the Nation's decline.

The valuation of residential housekeeping contracts declined 1.7 percent, compared with the Nation's 15.6-percent gain, to \$2.0 billion. California was one of only three States to register a decline. The number of dwelling units started declined by one-fifth, to 44,400 units. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level.

Additions and alterations to residential housekeeping units was the only major construction category in which California registered a gain in valuation. The valuation of these contracts rose 30.3 percent, over twice the national average gain, to \$1.0 billion. The percent gain was one of the largest in the Nation.

Chart 14.—Construction Contracts—Total Valuation

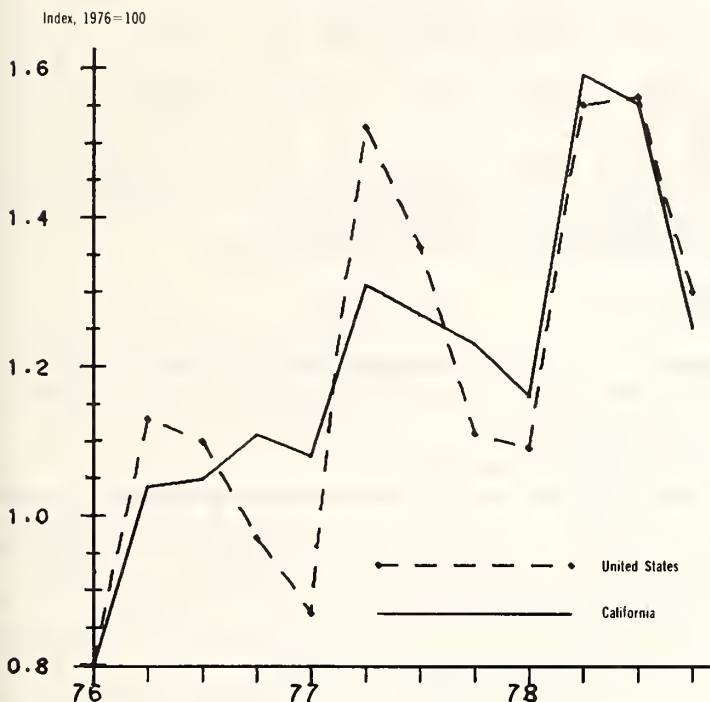


Chart 15.—Construction Contracts—Valuation of Contracts by Type: California

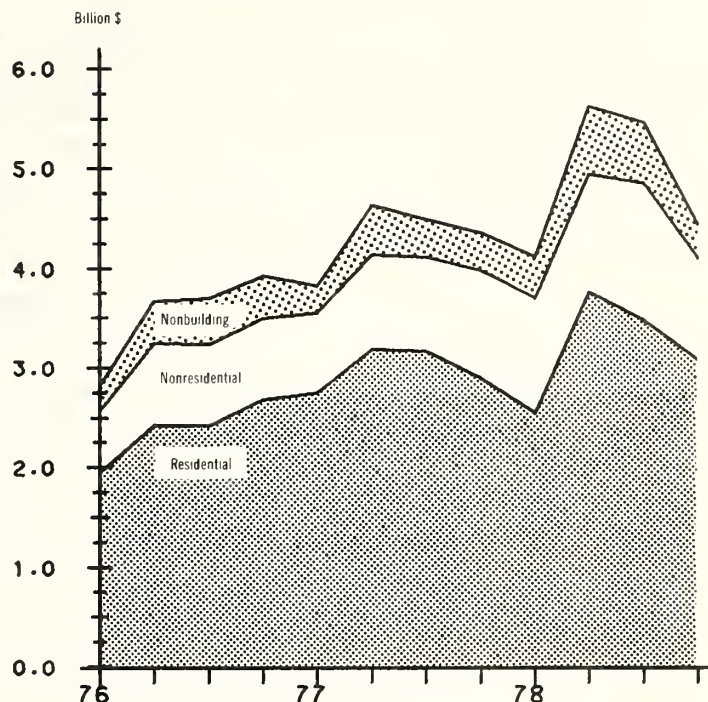


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

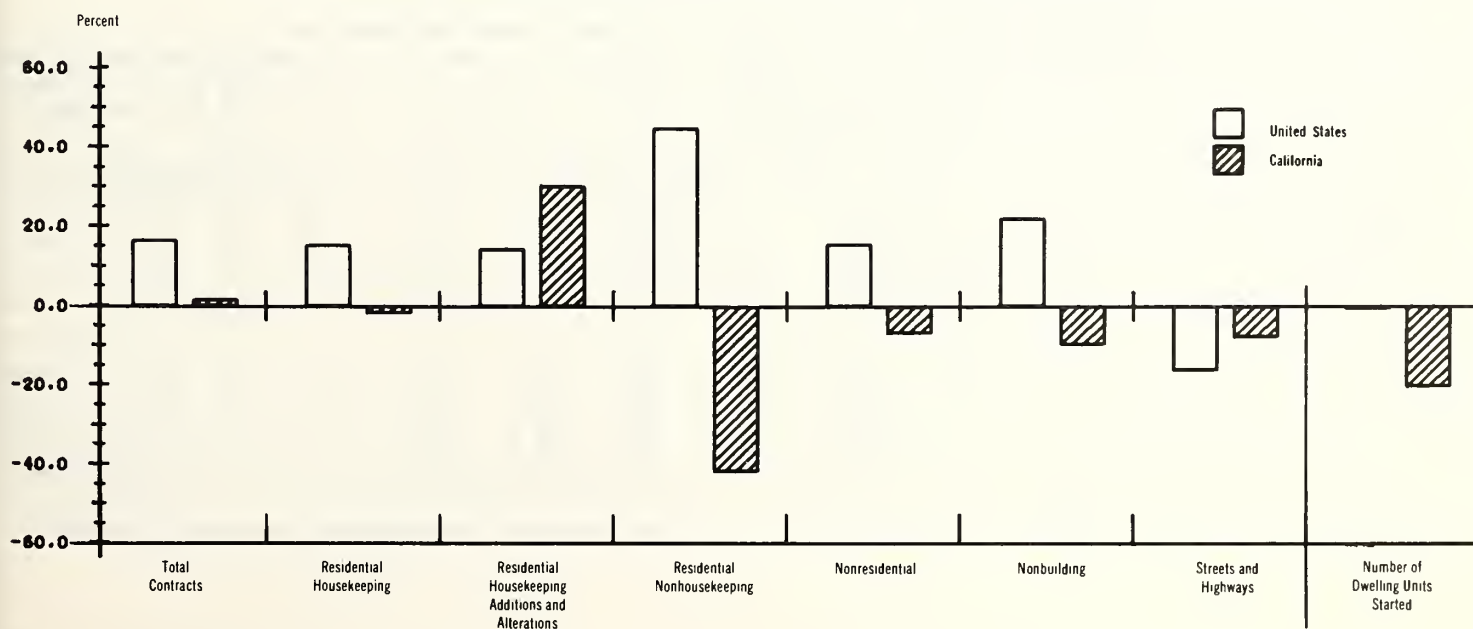


TABLE 6.—Construction Contracts, United States and California Through Fourth Quarter, 1978¹

| | United States | | | California | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|------------------|------------------|------------------|------------------|-----------------------------|-------------|----------------------|------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:III | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 4,490,093 | 4,359,666 | 5,462,545 | 4,433,647 | 14.5 | 21.7 | 16.8 | 1.7 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 780,687 | 786,743 | 1,096,181 | 1,024,926 | 16.8 | 40.4 | 14.6 | 30.3 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 5,416 | 5,068 | 6,392 | 5,123 | 4.4 | 18.0 | -9.3 | 1.1 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 3,709,406 | 3,572,923 | 4,366,364 | 3,408,721 | 14.0 | 17.7 | 17.4 | -4.6 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 117,001 | 108,619 | 126,946 | 99,601 | 10.8 | 8.5 | 10.2 | -8.3 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 1,225 | 1,077 | 1,069 | 821 | -5.1 | -12.7 | -4.3 | -23.8 |
| Number of dwelling units | 445,772 | 443,075 | 64,096 | 55,823 | 58,250 | 44,433 | 1.0 | -9.1 | -6 | -20.4 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 2,359,079 | 2,063,051 | 2,343,326 | 2,028,475 | 15.3 | -7 | 15.6 | -1.7 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 80,959 | 70,823 | 77,630 | 64,427 | 10.3 | -4.1 | 10.7 | -9.0 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 55 | 55 | 52 | 41 | -10.0 | -5.5 | -4 | -25.5 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 34,642 | 45,076 | 33,604 | 26,203 | 9.4 | -3.0 | 44.8 | -41.9 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 854 | 1,121 | 1,004 | 538 | -7 | 17.5 | 24.7 | -52.0 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 2,859 | 2,773 | 3,504 | 2,966 | -2.5 | 22.6 | -12.0 | 7.0 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 934,051 | 1,085,353 | 1,370,746 | 1,011,850 | 27.6 | 46.8 | 15.8 | -6.8 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 35,189 | 36,675 | 48,313 | 34,636 | 12.2 | 37.3 | 8.9 | -5.6 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 1,277 | 1,163 | 1,767 | 1,295 | 22.4 | 38.4 | -9.1 | 11.3 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 381,634 | 379,443 | 618,688 | 342,193 | -1 | 62.1 | 22.2 | -9.8 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 500 | 338 | 606 | 351 | 9.3 | 21.2 | -17.8 | 3.8 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 116,231 | 91,485 | 126,845 | 84,381 | 3.0 | 9.1 | -16.3 | -7.8 |

1 Contracts started or expected to start within 60 days.

2 Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in California totaled almost \$23.5 billion in 1978:IV, up 11.7 percent (\$2.5 billion) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for over \$15.7 billion, and durable goods accounted for over \$7.7 billion.

TABLE 7.—Retail Sales, United States and California Through Fourth Quarter, 1978

| | United States | | | California | | | U.S. | State | U.S. | State |
|---------------------------|--|----------------|---------------|---------------|---------------|---------------|-----------------------|-------------|----------------------|-------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:III | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | 19,404 | 21,013 | 21,397 | 23,464 | 10.3 | 10.3 | 11.2 | 11.7 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 7,205 | 7,734 | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | 1n.a. | 14,192 | 15,730 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and California Through Fourth Quarter, 1978

| | United States | | | California | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------|---------------|---------------|---------------|-------------|-----------------------|------------|----------------------|------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:III | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 12,318 | 12,795 | 12,437 | n.a. | 8.2 | 1.0 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 284 | 248 | 295 | n.a. | -9.5 | 3.9 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 83,479 | 82,811 | 87,657 | n.a. | -44.2 | 5.0 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 294 | 334 | 297 | n.a. | -38.4 | 1.0 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 62 | 53 | 54 | n.a. | -10.1 | -12.9 | --- | --- |
| Construction | 319 | n.a. | 39 | 34 | 51 | n.a. | 1.0 | 30.8 | --- | --- |
| Wholesale trade | 191 | n.a. | 30 | 31 | 20 | n.a. | -27.1 | -33.3 | --- | --- |
| Retail trade | 688 | n.a. | 112 | 89 | 130 | n.a. | -4.2 | 16.1 | --- | --- |
| Commercial services | 238 | n.a. | 41 | 41 | 40 | n.a. | -24.0 | -2.4 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

COLORADO

Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 12.2% vs. 12.6% in U.S., to \$22.3 billion —Farm personal income down 12.5% vs. 26.3% increase in U.S. —Payrolls up 14.1% in services vs. 12.7% in U.S. |
| Consumer prices | —Denver-Boulder index up to 212.9 in 1978:IV (1967=100) |
| Employment | —Up 6.1% vs. 3.9% in U.S., to 1.3 million |
| Unemployment | —Down 7,000, to 65,000 —Rate down to 4.9% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 1.3% vs. 16.8% in U.S., to \$698.9 million —Valuation of nonbuilding contracts down 44.2% vs. 22.2% increase in U.S. —Number of dwelling-unit starts down 7.0% vs. near stability in U.S., to 8,272 |

TABLE 1.—Summary of Economic Indicators, United States and Colorado Through Fourth Quarter, 1978

| | United States | | | Colorado | | | U.S. | State | U.S. | State |
|--|---------------|------------|----------|----------|----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| All indicators, except income, not seasonally adjusted | | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 18,908 | 19,878 | 21,694 | 22,310 | 12.4 | 14.7 | 12.6 | 12.2 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 12,477 | 13,107 | 14,449 | 14,813 | 12.1 | 15.8 | 12.6 | 13.0 |
| Civilian employment (thousands) | 92,442 | 96,010 | 1,193 | 1,184 | 1,248 | 1,256 | 4.1 | 4.6 | 3.9 | 6.1 |
| Unemployment (thousands) | 6,149 | 5,605 | 75 | 72 | 69 | 65 | -9.8 | -7.9 | -8.8 | -10.0 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 5.9 | 5.7 | 5.3 | 4.9 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 6,329 | 6,616 | 7,550 | n.a. | 16.3 | 19.3 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 9,075 | 9,635 | 10,526 | n.a. | 11.5 | 16.0 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 630,331 | 690,053 | 882,912 | 698,931 | 14.5 | 40.1 | 16.8 | 1.3 |
| Dwelling units started (number) | 445,772 | 443,075 | 9,918 | 8,892 | 11,526 | 8,272 | 1.0 | 16.2 | -6 | -7.0 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 1,928 | 1,846 | 2,119 | n.a. | 8.2 | 9.9 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 14 | 7 | 11 | n.a. | -9.5 | -21.4 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Denver-Boulder | --- | --- | --- | --- | 205.5 | 212.9 | --- | --- | --- | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

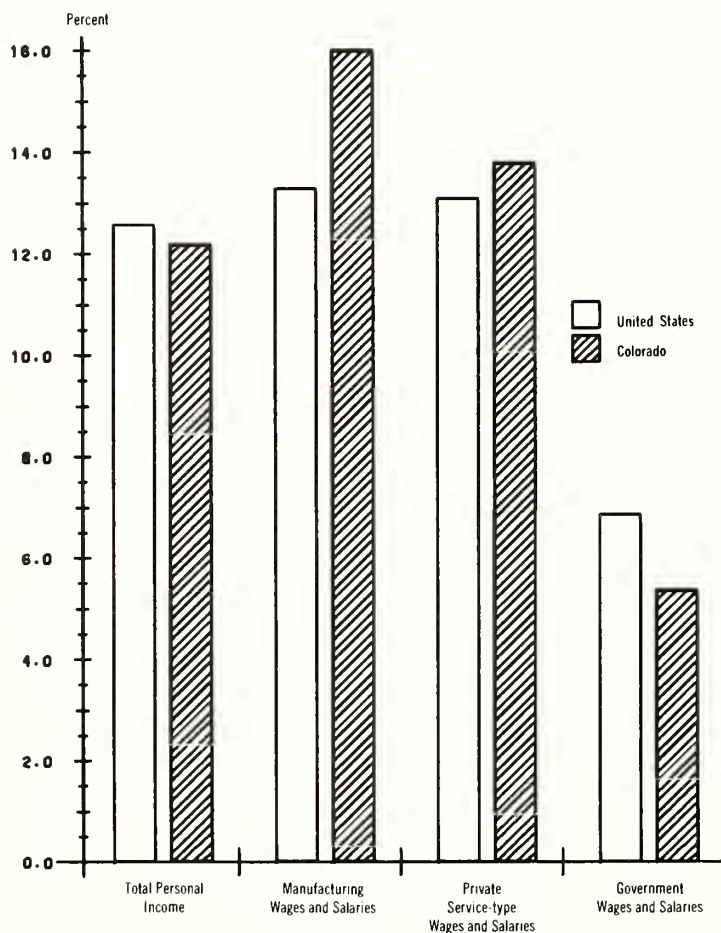
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.2 percent from 1977:IV to 1978:IV, compared with 12.6 percent nationally (table 2). In 1978:IV, the State's personal income totaled \$22.3 billion, up \$2.4 billion since 1977:IV. The **Consumer Price Index** (1967=100) for Denver-Boulder was 212.9 in 1978:IV, up from 205.5 in 1978:III (table 3).

Colorado's increase in personal income, the smallest in the Rocky Mountain region, would have been larger had it not been for a 12.5-percent decline in farm personal income in the State, compared with a 26.3-percent national gain. Colorado's decline was the eighth largest in the Nation. The State's nonfarm personal income increased 12.8 percent from year to year, 0.5 percentage point more than nationally. Since the last national business cycle peak in 1973:IV, Colorado's nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 14 percent more than nationally, ranking Colorado 17th among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Wage and salary disbursements (payrolls) in the State increased 13.0 percent from 1977:IV to 1978:IV, compared with 12.6 percent nationally. In 1978:IV, they totaled \$14.8 billion, up \$1.7 billion since 1977:IV.

Within Colorado's private service-type industry group, payrolls increased more slowly than nationally only in wholesale and retail trade—11.9 percent versus 14.1 percent. Payrolls in transportation-communication-public utilities increased 16.6 percent in the State versus 11.3 percent nationally; Colorado's increase was the fourth largest in the Nation, after increases in Nevada, Washington, and South Carolina. Payrolls in finance-insurance-real estate increased 15.2 percent versus 13.2 percent nationally, and services payrolls increased 14.1 percent versus 12.7 percent.

Payrolls in the State's nondurable goods manufacturing industry increased 19.2 percent, almost twice the Nation's increase. Colorado's increase was the third largest in the Nation, after increases in Utah and North Dakota. Durable manufacturing payrolls increased 14.3 percent in the State, almost 1 percentage point less than nationally.

Construction payrolls increased 20.3 percent from year to year, or slightly more than nationally. In contrast, mining payrolls, which increased 26.9 percent in the State, lagged the national increase by 7.0 percentage points.

State and local government payrolls increased 8.0 percent in Colorado, compared with a 6.8-percent national increase. In contrast, Federal Government payrolls increased only 1.8 percent from year to year; 47 States registered larger increases. The national increase in Federal Government payrolls was 7.1 percent.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 39.2 percent in Colorado versus 30.3 percent nationally.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

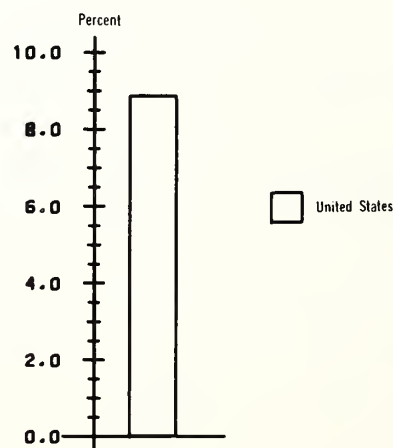


Chart 3.—Total Personal Income
[Seasonally adjusted]

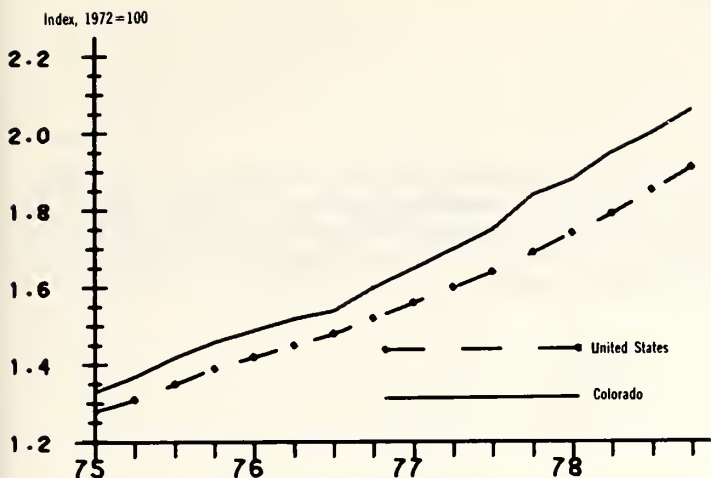


Chart 4.—Industrial Composition of Wages and Salaries: Colorado
[Seasonally adjusted]

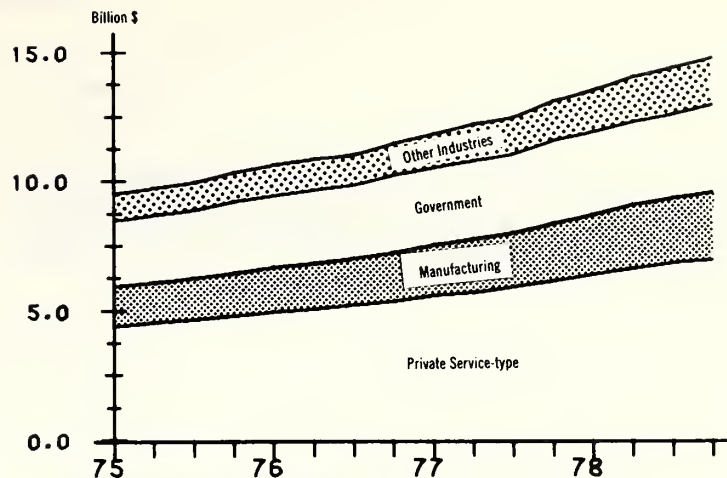


TABLE 2.—Personal Income, United States and Colorado Through Fourth Quarter, 1978

| | United States | | | Colorado | | | U.S. | State | U.S. | State |
|---|---|------------------|---------------|---------------|---------------|---------------|-----------------------------|-------------|---------------------|-------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 18,908 | 19,878 | 21,694 | 22,310 | 12.4 | 14.7 | 12.6 | 12.2 |
| Farm personal income | 31,224 | 39,451 | 235 | 420 | 303 | 368 | 47.9 | 28.8 | 26.3 | -12.5 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 18,672 | 19,458 | 21,391 | 21,943 | 11.9 | 14.6 | 12.3 | 12.8 |
| Total personal income | 1,583,508 | 1,782,519 | 18,908 | 19,878 | 21,694 | 22,310 | 12.4 | 14.7 | 12.6 | 12.2 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 12,477 | 13,107 | 14,449 | 14,813 | 12.1 | 15.8 | 12.6 | 13.0 |
| Other labor income | 96,016 | 111,719 | 997 | 1,058 | 1,224 | 1,251 | 17.0 | 22.7 | 16.4 | 18.2 |
| Proprietors' income | 105,953 | 125,995 | 1,224 | 1,437 | 1,447 | 1,550 | 21.5 | 18.2 | 18.9 | 7.9 |
| Farm | 23,636 | 31,044 | 129 | 308 | 186 | 245 | 66.6 | 44.2 | 31.3 | -20.6 |
| Nonfarm | 82,317 | 94,951 | 1,096 | 1,129 | 1,261 | 1,305 | 12.8 | 15.1 | 15.3 | 15.6 |
| Dividends, interest, and rent | 214,992 | 242,442 | 2,639 | 2,703 | 2,964 | 3,053 | 12.3 | 12.3 | 12.8 | 12.9 |
| Transfer payments | 215,944 | 233,750 | 2,278 | 2,310 | 2,462 | 2,502 | 8.8 | 8.1 | 8.2 | 8.3 |
| State unemployment insurance benefits | 11,128 | 7,753 | 102 | 95 | 59 | 57 | -24.0 | -42.6 | -30.3 | -39.2 |
| Less: personal contributions | 62,212 | 71,610 | 703 | 731 | 846 | 852 | 14.8 | 20.4 | 15.1 | 16.5 |
| Plus: residence adjustment | -401 | -473 | -5 | -5 | -6 | -6 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 12,477 | 13,107 | 14,449 | 14,813 | 12.1 | 15.8 | 12.6 | 13.0 |
| Farm | 7,176 | 7,939 | 104 | 109 | 114 | 119 | 8.5 | 10.2 | 10.6 | 9.4 |
| Nonfarm | 1,006,040 | 1,132,757 | 12,373 | 12,998 | 14,335 | 14,694 | 12.1 | 15.9 | 12.6 | 13.0 |
| Mining | 14,048 | 18,813 | 445 | 476 | 604 | 604 | 26.5 | 35.8 | 33.9 | 26.9 |
| Construction | 55,648 | 66,858 | 840 | 906 | 1,093 | 1,090 | 19.1 | 30.2 | 20.1 | 20.3 |
| Manufacturing | 276,112 | 312,970 | 2,122 | 2,250 | 2,538 | 2,611 | 12.1 | 19.6 | 13.3 | 16.0 |
| Durable goods | 176,216 | 203,053 | 1,357 | 1,451 | 1,621 | 1,658 | 13.7 | 19.5 | 15.2 | 14.3 |
| Nondurable goods | 99,896 | 109,917 | 765 | 800 | 916 | 953 | 9.4 | 19.8 | 10.0 | 19.2 |
| Private service-type | 455,764 | 515,348 | 5,916 | 6,138 | 6,855 | 6,985 | 12.8 | 15.9 | 13.1 | 13.8 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 1,014 | 1,053 | 1,189 | 1,228 | 10.4 | 17.2 | 11.3 | 16.6 |
| Wholesale and retail trade | 170,888 | 195,035 | 2,325 | 2,400 | 2,648 | 2,685 | 13.6 | 13.9 | 14.1 | 11.9 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 704 | 727 | 823 | 838 | 14.1 | 17.0 | 13.2 | 15.2 |
| Services | 153,840 | 173,396 | 1,874 | 1,959 | 2,195 | 2,235 | 12.6 | 17.1 | 12.7 | 14.1 |
| Government | 201,252 | 215,083 | 3,015 | 3,191 | 3,203 | 3,362 | 7.4 | 6.2 | 6.9 | 5.4 |
| Federal | 68,176 | 73,003 | 1,286 | 1,348 | 1,334 | 1,372 | 7.3 | 3.7 | 7.1 | 1.8 |
| State and local | 133,076 | 142,080 | 1,729 | 1,843 | 1,869 | 1,990 | 7.5 | 8.1 | 6.8 | 8.0 |
| Other | 3,216 | 3,685 | 35 | 36 | 42 | 42 | 18.7 | 20.5 | 14.6 | 15.1 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Colorado Through Fourth Quarter, 1978¹

| | United States | | | Colorado | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Denver—Boulder | --- | --- | --- | --- | 205.5 | 212.9 | --- | --- | --- | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Colorado's **civilian labor force** increased 5.2 percent versus 3.1 percent nationally (table 4). Colorado's increase was the sixth largest in the Nation. **Total employment** in the State increased 6.1 percent versus 3.9 percent nationally, to 1.3 million. Colorado's increase was the seventh largest in the Nation.

With employment increasing by 72,000 and the labor force increasing by 65,000, the number of **unemployed** declined by 7,000, to 65,000. Colorado's **unemployment rate** declined 0.8 percentage point, to 4.9 percent of the labor force. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Colorado

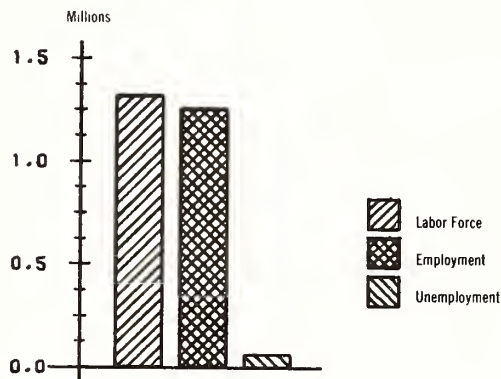


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

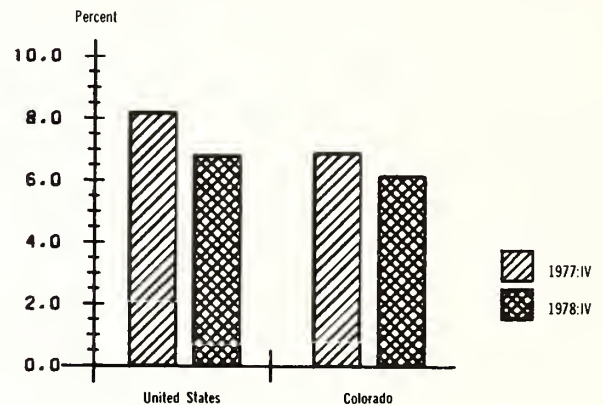


TABLE 4.—Labor Force, United States and Colorado Through Fourth Quarter, 1978

| | United States | | | Colorado | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,071 | 1,097 | 1,131 | 1,149 | 4.3 | 5.6 | 4.2 | 4.7 |
| Mining | 787 | 899 | 25 | 25 | 27 | 27 | 8.2 | 8.8 | 14.2 | 7.1 |
| Construction | 4,032 | 4,488 | 68 | 68 | 75 | 73 | 10.4 | 10.5 | 11.3 | 6.8 |
| Manufacturing | 19,986 | 20,722 | 155 | 158 | 165 | 169 | 3.1 | 6.1 | 3.7 | 6.7 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 64 | 64 | 70 | 71 | 3.8 | 9.6 | 4.4 | 10.0 |
| Wholesale and retail trade | 19,152 | 20,015 | 272 | 279 | 283 | 285 | 5.3 | 4.0 | 4.5 | 1.9 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 63 | 64 | 67 | 67 | 4.8 | 6.2 | -2.0 | 5.8 |
| Services | 15,539 | 16,215 | 214 | 213 | 229 | 228 | 4.6 | 7.4 | 4.4 | 6.8 |
| Government | 15,434 | 15,656 | 211 | 225 | 216 | 230 | 2.1 | 2.2 | 1.4 | 2.3 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,268 | 1,256 | 1,317 | 1,321 | 3.2 | 3.9 | 3.1 | 5.2 |
| Total employed | 92,442 | 96,010 | 1,193 | 1,184 | 1,248 | 1,256 | 4.1 | 4.6 | 3.9 | 6.1 |
| Total unemployed | 6,149 | 5,605 | 75 | 72 | 69 | 65 | -9.8 | -7.9 | -8.8 | -10.0 |
| Percent unemployed | 6.2 | 5.5 | 5.9 | 5.7 | 5.3 | 4.9 | — | — | — | — |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

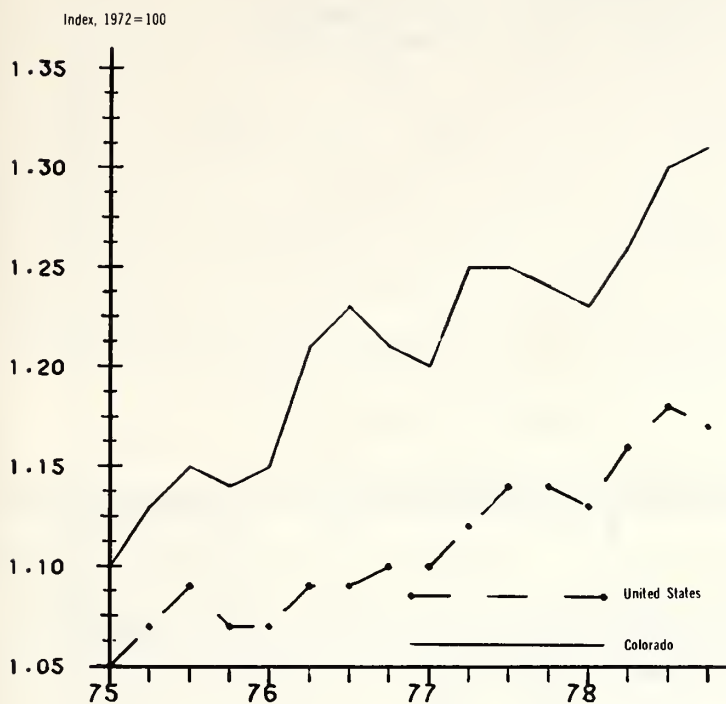


Chart 8.—Civilian Employment

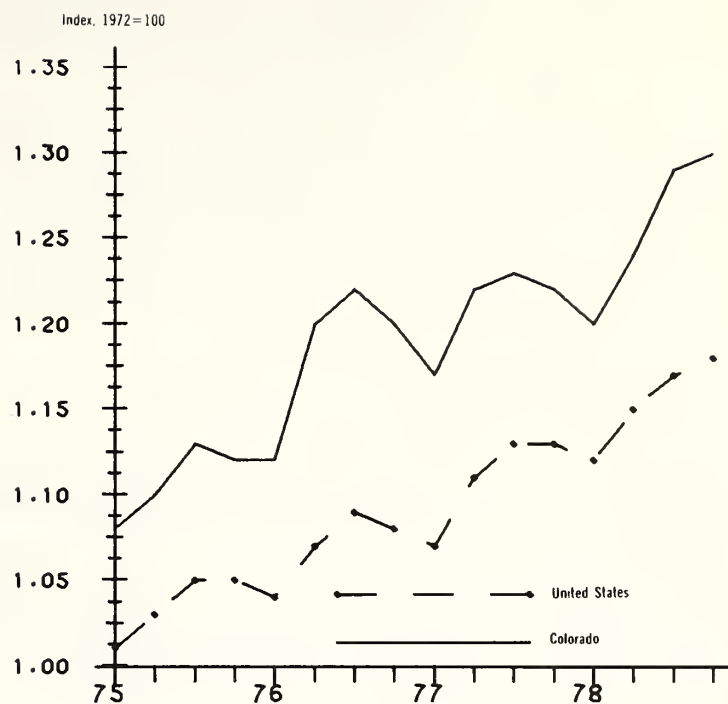


Chart 9.—Unemployment Rate

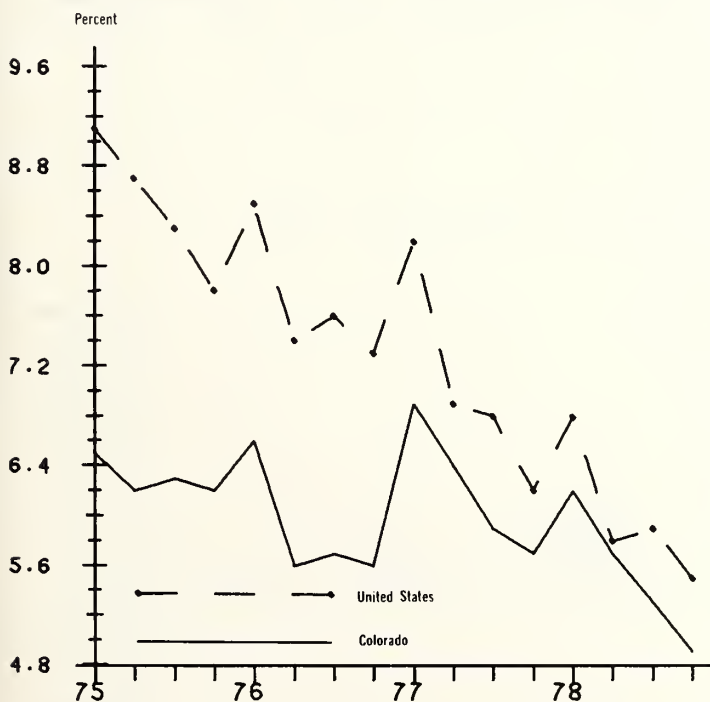
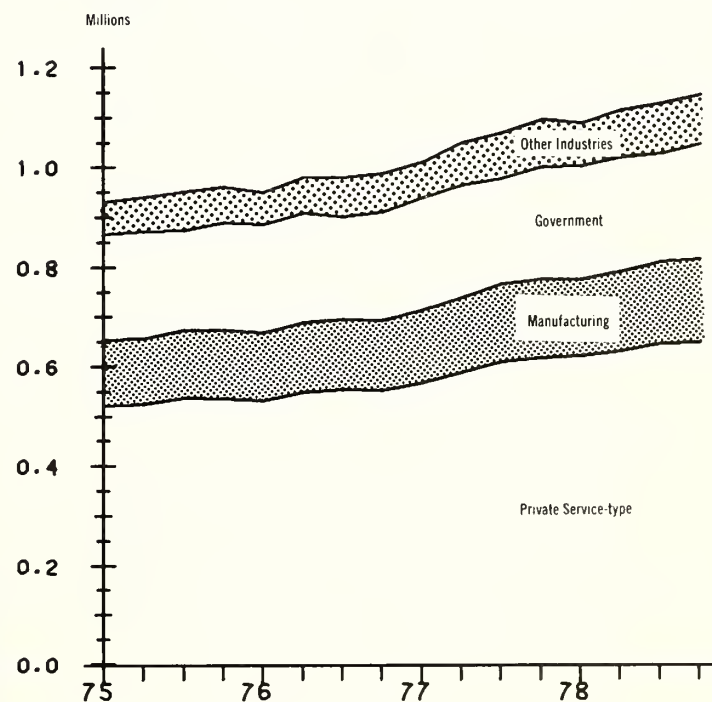


Chart 10.—Industrial Composition of Nonagricultural Employment: Colorado



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Colorado Through Fourth Quarter, 1978

| | United States | | | Colorado | | | U.S. | State | U.S. | State |
|------------------------------------|---|-------------|--------------|--------------|---------------|-------------|-----------------------------|-------------|---------------------|------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 6,329 | 6,616 | 7,550 | n.a. | 16.3 | 19.3 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 2,006 | 2,085 | 2,357 | n.a. | 14.2 | 17.5 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 1,747 | 1,859 | 2,094 | n.a. | 20.2 | 19.8 | --- | --- |
| Real estate | 177,935 | n.a. | 1,481 | 1,550 | 1,856 | n.a. | 19.9 | 25.3 | --- | --- |
| Residential | 101,236 | n.a. | 728 | 755 | 902 | n.a. | 21.3 | 23.9 | --- | --- |
| Farms | 7,731 | n.a. | 46 | 40 | 39 | n.a. | 10.7 | -14.9 | --- | --- |
| Other | 68,968 | n.a. | 706 | 755 | 915 | n.a. | 19.0 | 29.5 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 715 | 690 | 737 | n.a. | 6.8 | 3.1 | --- | --- |
| Other | 69,947 | n.a. | 380 | 432 | 505 | n.a. | 8.0 | 33.0 | --- | --- |
| Total deposits | 925,511 | n.a. | 9,075 | 9,635 | 10,526 | n.a. | 11.5 | 16.0 | --- | --- |
| Demand | 377,683 | n.a. | 3,888 | 4,344 | 4,572 | n.a. | 10.2 | 17.6 | --- | --- |
| Time and savings | 547,828 | n.a. | 5,187 | 5,292 | 5,954 | n.a. | 12.3 | 14.8 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased only 1.3 percent (\$8.9 million), to \$698.9 million (table 6). Forty-one States registered larger increases. The national increase was 16.8 percent. In 1977:IV, a \$110 million contract for the construction of an electric generating plant in El Paso County raised the State's total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If the plant is excluded, the total valuation of contracts in Colorado would have increased 20.5 percent.

National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Colorado (including the electric generating plant) sustained a real decline of about 12 percent versus a real increase of about 4 percent nationally.

Reflecting the electric generating plant, the valuation of nonbuilding contracts declined 44.2 percent versus a 22.2-percent national increase.

Colorado's decline was one of the largest in the Nation. The street and highway component of nonbuilding contracts more than doubled in valuation versus a 16.3-percent national decline. Colorado's increase was one of the largest in the Nation.

Residential housekeeping contracts increased 9.7 percent in valuation, compared with a national increase of 15.6 percent. The number of dwelling units started declining 7.0 percent (620), to 8,272. Nationally, the number of dwelling units started remained almost unchanged at a high level. Additions and alterations to residential housekeeping units increased 29.7 percent in valuation versus 14.6 percent nationally.

Nonresidential contracts increased 40.2 percent in valuation versus 15.8 percent nationally. Colorado's increase was one of the largest in the Nation.

Chart 14.—Construction Contracts—Total Valuation

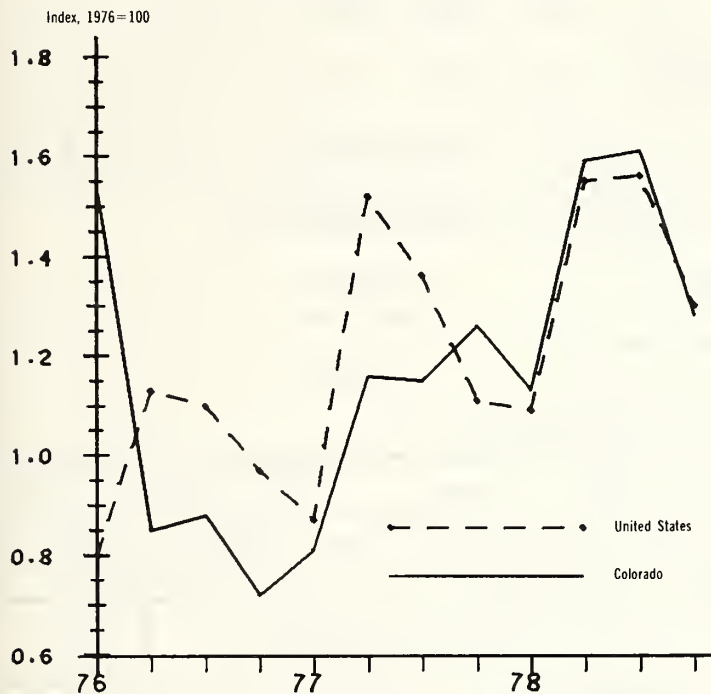


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Colorado

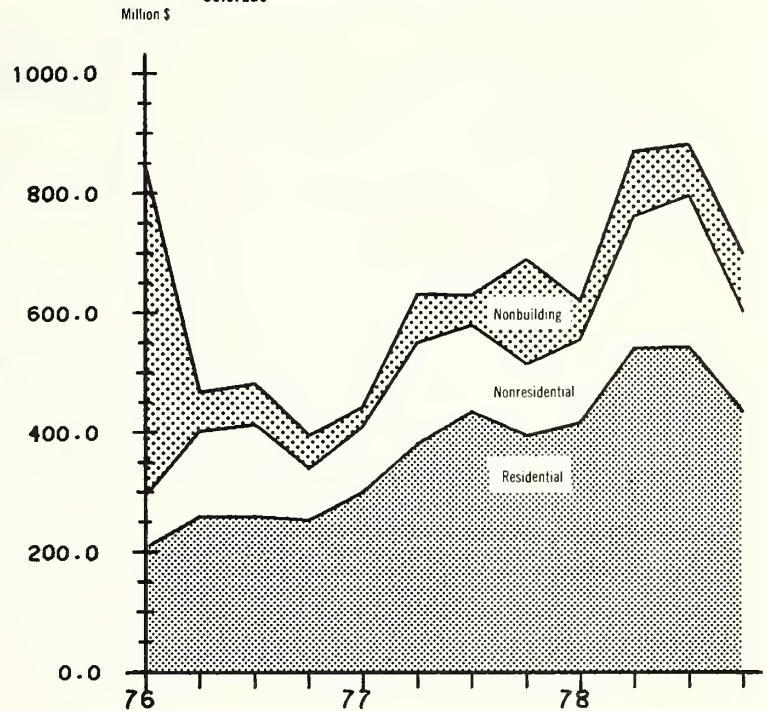


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

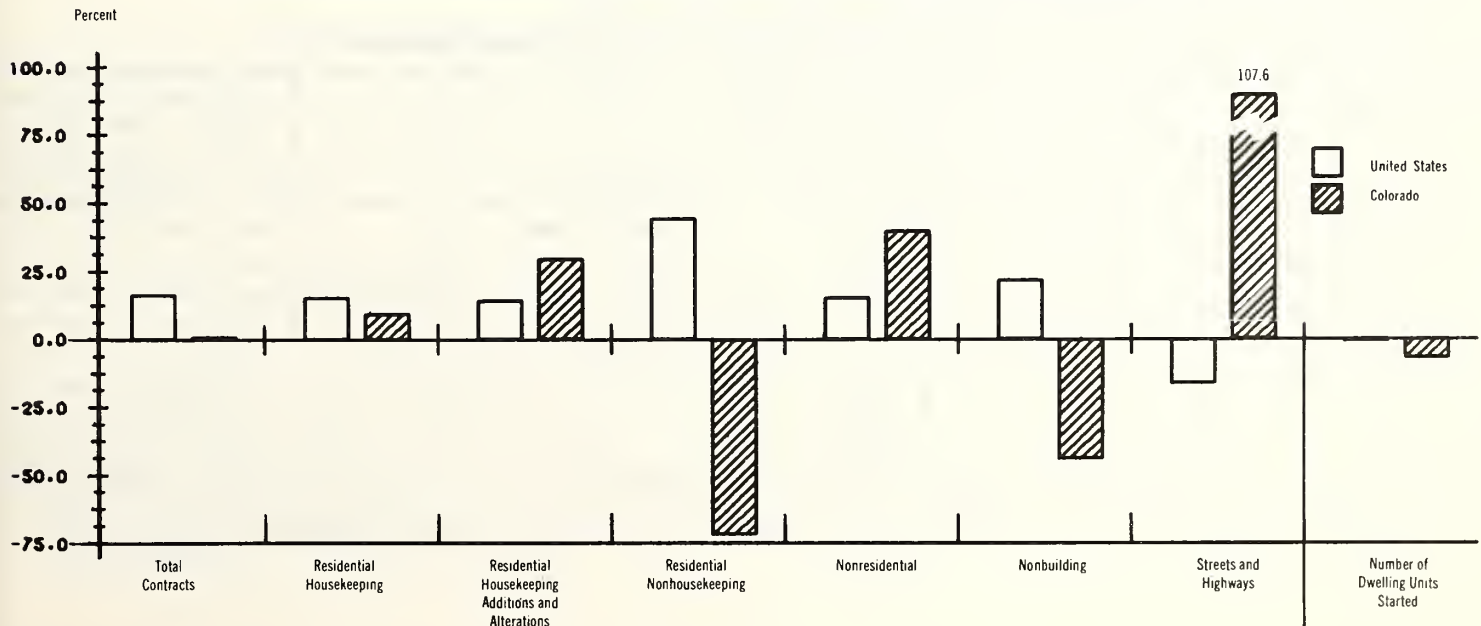


TABLE 6.—Construction Contracts, United States and Colorado Through Fourth Quarter, 1978¹

| | United States | | | Colorado | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 630,331 | 690,053 | 882,912 | 698,931 | 14.5 | 40.1 | 16.8 | 1.3 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 94,728 | 93,543 | 129,290 | 121,285 | 16.8 | 36.5 | 14.6 | 29.7 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 644 | 703 | 849 | 688 | 4.4 | 31.8 | -9.3 | -2.1 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 535,603 | 596,510 | 753,622 | 577,646 | 14.0 | 40.7 | 17.4 | -3.2 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 16,620 | 14,282 | 20,592 | 16,135 | 10.8 | 23.9 | 10.2 | 13.0 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 230 | 227 | 247 | 243 | -5.1 | 7.4 | -4.3 | 7.0 |
| Number of dwelling units | 445,772 | 443,075 | 9,918 | 8,892 | 11,526 | 8,272 | 1.0 | 16.2 | -6 | -7.0 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 315,952 | 278,396 | 407,669 | 305,378 | 15.3 | 29.0 | 15.6 | 9.7 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 11,120 | 9,945 | 13,817 | 10,344 | 10.3 | 24.3 | 10.7 | 4.0 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 7 | 10 | 6 | 5 | -10.0 | -14.3 | -4 | -50.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 24,131 | 23,263 | 5,983 | 6,492 | 9.4 | -75.2 | 44.8 | -72.1 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 615 | 556 | 183 | 147 | -7 | -70.3 | 24.7 | -73.5 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 261 | 306 | 365 | 309 | -2.5 | 39.8 | -12.0 | 1.0 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 145,901 | 119,952 | 253,937 | 168,196 | 27.6 | 74.0 | 15.8 | 40.2 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 4,886 | 3,780 | 6,592 | 5,644 | 12.2 | 34.9 | 8.9 | 49.3 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 146 | 160 | 231 | 131 | 22.4 | 58.2 | -9.1 | -18.1 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 49,619 | 174,899 | 86,033 | 97,580 | -1 | 73.4 | 22.2 | -44.2 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 64 | 47 | 85 | 32 | 9.3 | 32.8 | -17.8 | -31.9 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 27,132 | 25,494 | 30,748 | 52,914 | 3.0 | 13.3 | -16.3 | 107.6 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Colorado are not available.

TABLE 7.—Retail Sales, United States and Colorado Through Fourth Quarter, 1978

| | United States | | | Colorado | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|----------|----------|---------|-----------------------|----------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Millions of dollars, not seasonally adjusted | | | | | | | Percent change | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Colorado Through Fourth Quarter, 1978

| | United States | | | Colorado | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 1,928 | 1,846 | 2,119 | n.a. | 8.2 | 9.9 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 14 | 7 | 11 | n.a. | -9.5 | -21.4 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 1,482 | 560 | 778 | n.a. | -44.2 | -47.5 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 106 | 80 | 71 | n.a. | -38.4 | -33.0 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 1 | 0 | 1 | n.a. | -10.1 | .0 | --- | --- |
| Construction | 319 | n.a. | 1 | 1 | 5 | n.a. | 1.0 | 400.0 | --- | --- |
| Wholesale trade | 191 | n.a. | 1 | 1 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 9 | 2 | 3 | n.a. | -4.2 | -66.7 | --- | --- |
| Commercial services | 238 | n.a. | 2 | 3 | 2 | n.a. | -24.0 | .0 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 10.5%, 2.1 percentage points less than in U.S. —Increases in most major private industries less than in U.S. |
| Consumer prices | —Up 7.5% in Boston and 6.2% in the New York City-Northeast New Jersey area vs. 8.9% in U.S. |
| Employment | —Up 3.1% vs. 3.9% in U.S., to almost 1.5 million |
| Unemployment | —Down 10,000, to 72,000 —Rate down to 4.7% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 16.8%, same as in U.S., to \$572 million —Large gains in valuation of nonresidential and nonbuilding contracts —Number of dwelling-unit starts down 10.9% vs. little change in U.S., to 3,344 |

TABLE 1.—Summary of Economic Indicators, United States and Connecticut Through Fourth Quarter, 1978

| | United States | | | Connecticut | | | U.S. | State | U.S. | State |
|--|--|------------|----------|-------------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 25,252 | 26,015 | 28,034 | 28,737 | 12.4 | 11.0 | 12.6 | 10.5 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 15,496 | 16,045 | 17,419 | 17,886 | 12.1 | 12.4 | 12.6 | 11.5 |
| Civilian employment (thousands)..... | 92,442 | 96,010 | 1,420 | 1,418 | 1,454 | 1,461 | 4.1 | 2.4 | 3.9 | 3.1 |
| Unemployment (thousands) | 6,149 | 5,605 | 101 | 82 | 68 | 72 | -9.8 | -33.0 | -8.8 | -13.0 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 6.6 | 5.5 | 4.4 | 4.7 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 5,442 | 5,633 | 6,432 | n.a. | 16.3 | 18.2 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 8,255 | 8,987 | 8,967 | n.a. | 11.5 | 8.6 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 457,336 | 489,583 | 605,396 | 571,995 | 14.5 | 32.4 | 16.8 | 16.8 |
| Dwelling units started (number) | 445,772 | 443,075 | 4,423 | 3,751 | 4,444 | 3,344 | 1.0 | .5 | -.6 | -10.9 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 1,363 | 1,301 | 1,440 | n.a. | 8.2 | 5.6 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 18 | 11 | 4 | n.a. | -9.5 | -77.8 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Boston | --- | --- | 185.0 | 185.3 | 194.2 | 199.2 | --- | 5.0 | --- | 7.5 |
| New York City—Northeast New Jersey..... | --- | --- | 187.0 | 188.3 | 196.8 | 200.0 | --- | 5.2 | --- | 6.2 |

n.a.: Data not available.

Source: See tables 2 through 8.

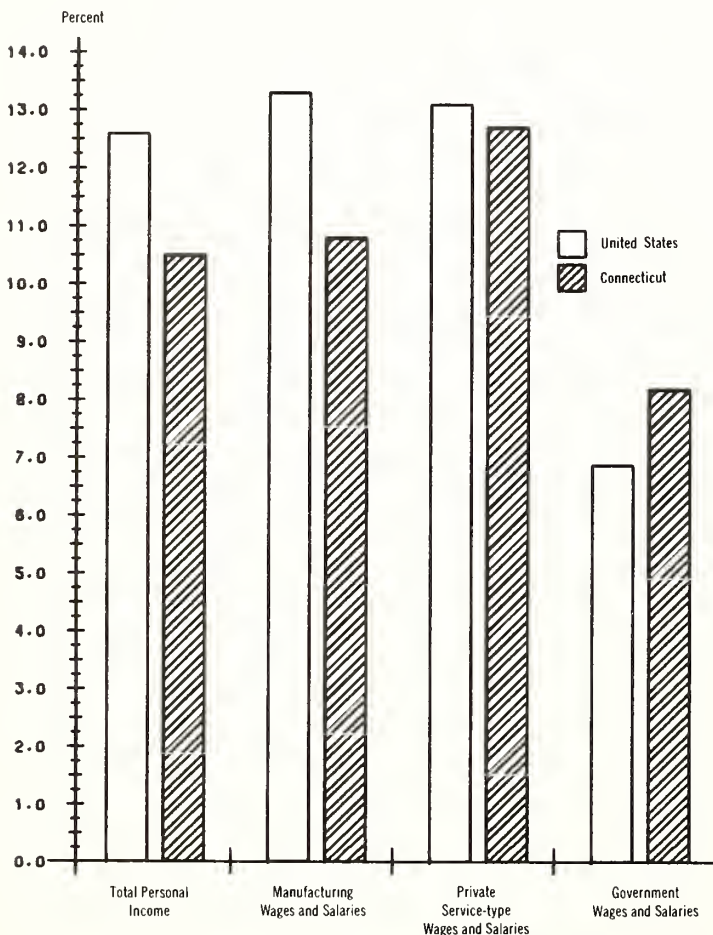
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.5 percent from 1977:IV to 1978:IV, 2.1 percentage points less than in the Nation (table 2). Among State increases, Connecticut's increase ranked 43rd. In 1978:IV, the State's personal income totaled \$28.7 billion, for an increase of \$2.7 billion since 1977:IV. Changes in most major income components were below those registered in corresponding components nationally. Connecticut was the only State in the New England region with an increase in total personal income that was well below the national average; all States in the adjacent Mideast region had below-national-average increases.

Since the last national business cycle peak (1973:IV), Connecticut's economy has grown slowly; the increase in nonfarm income was 19 percent less than nationally, ranking Connecticut 48th among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Consumer prices from 1977:IV to 1978:IV increased 7.5 percent in the Boston metropolitan area and 6.2 percent in the New York City-Northeast New Jersey area; both of these increases were well below the national increase of 8.9 percent (table 3). If the average price increase in these areas—6.8 percent—is used as an indicator for price movements in the State, real total personal income in Connecticut increased 3.7 percent from year to year, the same as nationally.

Wage and salary disbursements (payrolls) increased 11.5 percent in the State versus 12.6 percent in the Nation. In 1978:IV, they totaled \$17.9 billion, up \$1.8 billion from year to year. Increases in nearly all major private industries in the State were below those registered in corresponding industries in the Nation. Manufacturing payrolls increased 10.8 percent in Connecticut and 13.3 percent in the Nation. Manufacturing payrolls accounted for 23.3 percent of total personal income in Connecticut in 1978:IV versus a national weight of 17.6 percent. Payrolls in durable goods manufacturing increased 11.2 percent in the State, 4.0 percentage points less than in the Nation. The increase in nondurable goods manufacturing was 9.3 percent, 0.7 percentage point less than in the Nation. Private service-type payrolls increased 12.7 percent in the State versus 13.1 percent in the Nation. The lag was particularly pronounced in transportation-communication-public utilities. In contrast, trade payrolls in Connecticut increased 15.8 percent versus 14.1 percent in the Nation. Both Federal and State and local government payrolls also increased more in Connecticut than in the Nation.

State unemployment insurance benefits declined 55.7 percent in Connecticut—the largest decline among all States—versus a decline of 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

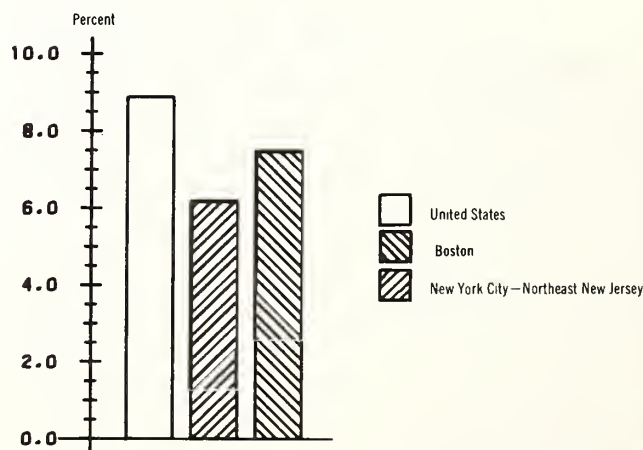


Chart 3.—Total Personal Income

[Seasonally adjusted]

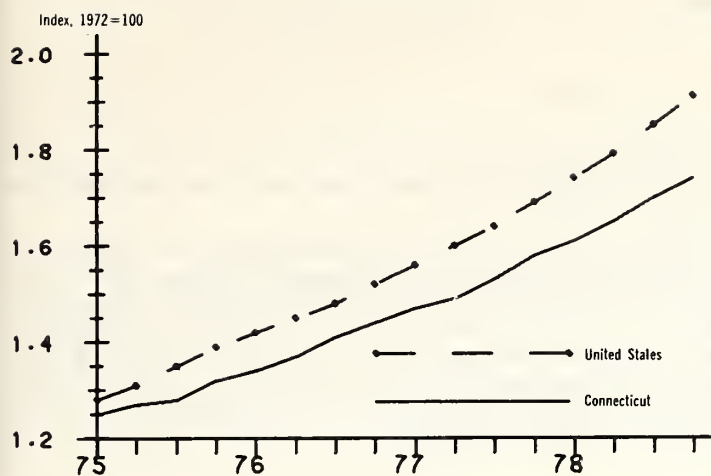


Chart 4.—Industrial Composition of Wages and Salaries: Connecticut

[Seasonally adjusted]

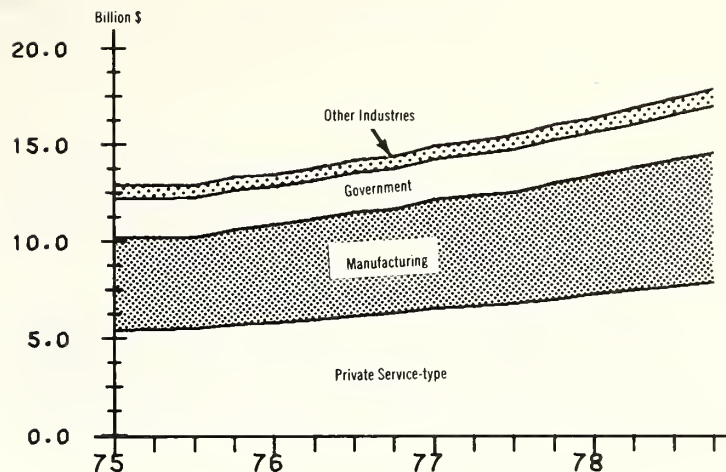


TABLE 2.—Personal Income, United States and Connecticut Through Fourth Quarter, 1978

| | United States | | | Connecticut | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|-------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 25,252 | 26,015 | 28,034 | 28,737 | 12.4 | 11.0 | 12.6 | 10.5 |
| Farm personal income | 31,224 | 39,451 | 94 | 96 | 80 | 79 | 47.9 | -14.7 | 26.3 | -17.6 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 25,158 | 25,919 | 27,954 | 28,658 | 11.9 | 11.1 | 12.3 | 10.6 |
| Total personal income | 1,583,508 | 1,782,519 | 25,252 | 26,015 | 28,034 | 28,737 | 12.4 | 11.0 | 12.6 | 10.5 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 15,496 | 16,045 | 17,419 | 17,886 | 12.1 | 12.4 | 12.6 | 11.5 |
| Other labor income | 96,016 | 111,719 | 1,540 | 1,630 | 1,813 | 1,857 | 17.0 | 17.7 | 16.4 | 14.0 |
| Proprietors' income | 105,953 | 125,995 | 1,237 | 1,261 | 1,334 | 1,375 | 21.5 | 7.9 | 18.9 | 9.1 |
| Farm | 23,636 | 31,044 | 34 | 33 | 15 | 11 | 66.6 | -56.1 | 31.3 | -67.1 |
| Nonfarm | 82,317 | 94,951 | 1,203 | 1,227 | 1,319 | 1,364 | 12.8 | 9.6 | 15.3 | 11.2 |
| Dividends, interest, and rent | 214,992 | 242,442 | 4,087 | 4,190 | 4,526 | 4,641 | 12.3 | 10.8 | 12.8 | 10.8 |
| Transfer payments | 215,944 | 233,750 | 3,001 | 3,020 | 3,135 | 3,163 | 8.8 | 4.5 | 8.2 | 4.7 |
| State unemployment insurance benefits | 11,128 | 7,753 | 288 | 247 | 131 | 109 | -24.0 | -54.4 | -30.3 | -55.7 |
| Less: personal contributions | 62,212 | 71,610 | 959 | 991 | 1,105 | 1,120 | 14.8 | 15.2 | 15.1 | 13.0 |
| Plus: residence adjustment | -401 | -473 | 851 | 862 | 912 | 935 | — | — | — | — |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 15,496 | 16,045 | 17,419 | 17,886 | 12.1 | 12.4 | 12.6 | 11.5 |
| Farm | 7,176 | 7,939 | 56 | 58 | 60 | 63 | 8.5 | 8.4 | 10.6 | 8.7 |
| Nonfarm | 1,006,040 | 1,132,757 | 15,440 | 15,987 | 17,359 | 17,823 | 12.1 | 12.4 | 12.6 | 11.5 |
| Mining | 14,048 | 18,813 | 35 | 38 | 35 | 35 | 26.5 | 1.7 | 33.9 | -6.7 |
| Construction | 55,648 | 66,858 | 618 | 650 | 735 | 762 | 19.1 | 18.9 | 20.1 | 17.3 |
| Manufacturing | 276,112 | 312,970 | 5,756 | 6,054 | 6,576 | 6,709 | 12.1 | 14.2 | 13.3 | 10.8 |
| Durable goods | 176,216 | 203,053 | 4,502 | 4,772 | 5,189 | 5,308 | 13.7 | 15.3 | 15.2 | 11.2 |
| Nondurable goods | 99,896 | 109,917 | 1,254 | 1,282 | 1,387 | 1,401 | 9.4 | 10.6 | 10.0 | 9.3 |
| Private service-type | 455,764 | 515,348 | 6,813 | 7,016 | 7,683 | 7,903 | 12.8 | 12.8 | 13.1 | 12.7 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 802 | 872 | 928 | 956 | 10.4 | 15.8 | 11.3 | 9.6 |
| Wholesale and retail trade | 170,888 | 195,035 | 2,392 | 2,446 | 2,758 | 2,833 | 13.6 | 15.3 | 14.1 | 15.8 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 1,156 | 1,171 | 1,286 | 1,321 | 14.1 | 11.3 | 13.2 | 12.7 |
| Services | 153,840 | 173,396 | 2,465 | 2,526 | 2,710 | 2,794 | 12.6 | 10.0 | 12.7 | 10.6 |
| Government | 201,252 | 215,083 | 2,184 | 2,196 | 2,291 | 2,375 | 7.4 | 4.9 | 6.9 | 8.2 |
| Federal | 68,176 | 73,003 | 509 | 515 | 542 | 572 | 7.3 | 6.5 | 7.1 | 11.1 |
| State and local | 133,076 | 142,080 | 1,675 | 1,681 | 1,749 | 1,803 | 7.5 | 4.4 | 6.8 | 7.3 |
| Other | 3,216 | 3,685 | 34 | 34 | 39 | 38 | 18.7 | 14.9 | 14.6 | 11.2 |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Connecticut Through Fourth Quarter, 1978¹

| | United States | | | Connecticut | | | U.S. | State | U.S. | State |
|--|--|---------|----------|-------------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | | | | | | | | | | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Boston..... | --- | --- | 185.0 | 185.3 | 194.2 | 199.2 | --- | 5.0 | --- | 7.5 |
| New York City—Northeast New Jersey | --- | --- | 187.0 | 188.3 | 196.8 | 200.0 | --- | 5.2 | --- | 6.2 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Connecticut's **civilian labor force** increased 2.2 percent, 0.9 percentage point less than in the Nation (table 4). **Total employment** increased 3.1 percent in the State, 0.8 percentage point less than nationally, to almost 1.5 million.

With the labor force increasing 33,000 and total employment increasing 43,000, **unemployment** declined 10,000, to 72,000. In 1978:IV, Connecticut's **unemployment rate** was 4.7 percent versus 5.5 percent in the Nation. The State's unemployment rate declined 0.8 percentage point from year to year, about the same as nationally. Connecticut was

the only New England State that did not have a sharp decline in the unemployment rate.

In December 1978, the preliminary unemployment rate in the State was 5.1 percent versus 5.4 percent a year previous. December 1978 rates in major metropolitan areas of the State ranged from 4.2 percent in Stamford to 5.7 percent in Waterbury. The rate in Hartford—the largest metropolitan area in the State—was 4.7 percent. From year to year, unemployment rates were either unchanged or down somewhat in each of the State's six major metropolitan areas except Stamford, where the rate increased 0.4 percentage point.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV:
Connecticut

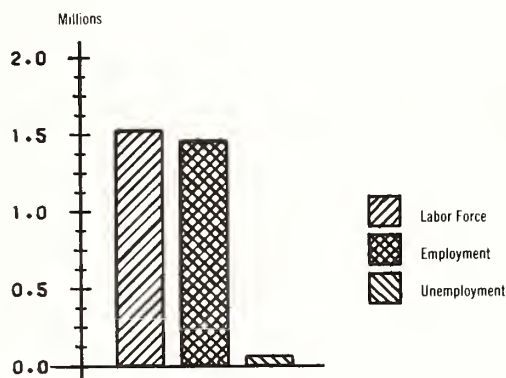


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

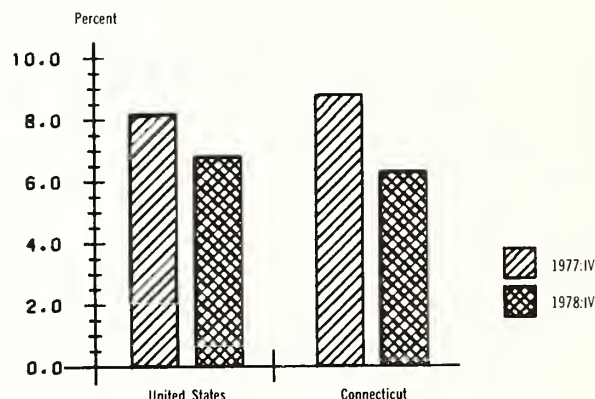


TABLE 4.—Labor Force, United States and Connecticut Through Fourth Quarter, 1978

| | United States | | | Connecticut | | | U.S. | State | U.S. | State |
|---|--|---------|----------|-------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,292 | 1,306 | 1,329 | 1,356 | 4.3 | 2.9 | 4.2 | 3.9 |
| Mining and construction | 4,593 | 5,117 | 48 | 45 | 49 | 47 | 10.4 | 1.9 | 11.4 | 5.3 |
| Manufacturing | 19,986 | 20,722 | 403 | 406 | 412 | 422 | 3.1 | 2.1 | 3.7 | 3.8 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 55 | 57 | 56 | 58 | 3.8 | 1.8 | 4.4 | 2.3 |
| Wholesale and retail trade | 19,152 | 20,015 | 270 | 280 | 279 | 289 | 5.3 | 3.2 | 4.5 | 2.9 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 92 | 92 | 95 | 96 | 4.8 | 4.0 | -2.0 | 4.6 |
| Services | 15,539 | 16,215 | 249 | 247 | 263 | 261 | 4.6 | 5.5 | 4.4 | 6.0 |
| Government | 15,434 | 15,656 | 176 | 179 | 177 | 183 | 2.1 | .4 | 1.4 | 2.2 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,521 | 1,500 | 1,522 | 1,533 | 3.2 | .0 | 3.1 | 2.2 |
| Total employed | 92,442 | 96,010 | 1,420 | 1,418 | 1,454 | 1,461 | 4.1 | 2.4 | 3.9 | 3.1 |
| Total unemployed | 6,149 | 5,605 | 101 | 82 | 68 | 72 | -9.8 | -33.0 | -8.8 | -13.0 |
| Percent unemployed | 6.2 | 5.5 | 6.6 | 5.5 | 4.4 | 4.7 | --- | --- | --- | --- |

1 Detail may not add to totals because of rounding.

2 Based on unrounded data.

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

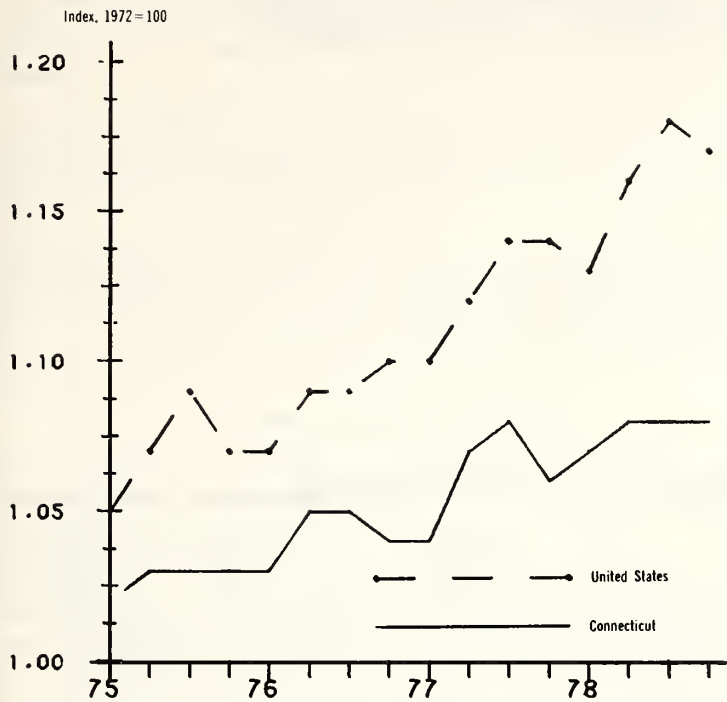


Chart 8.—Civilian Employment

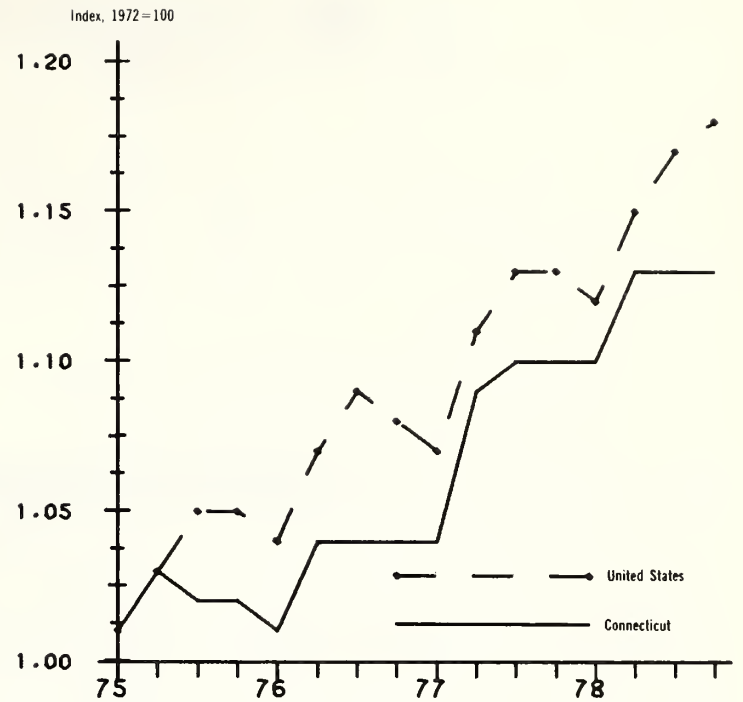


Chart 9.—Unemployment Rate

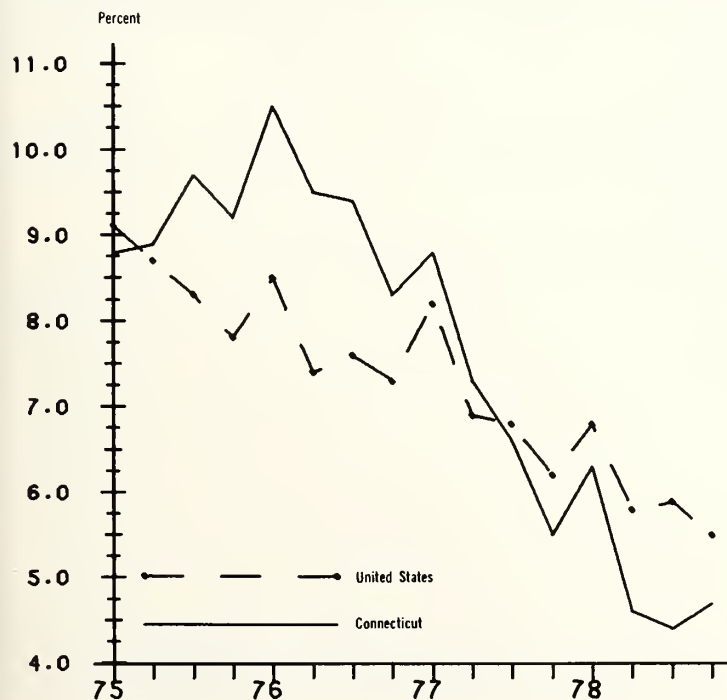
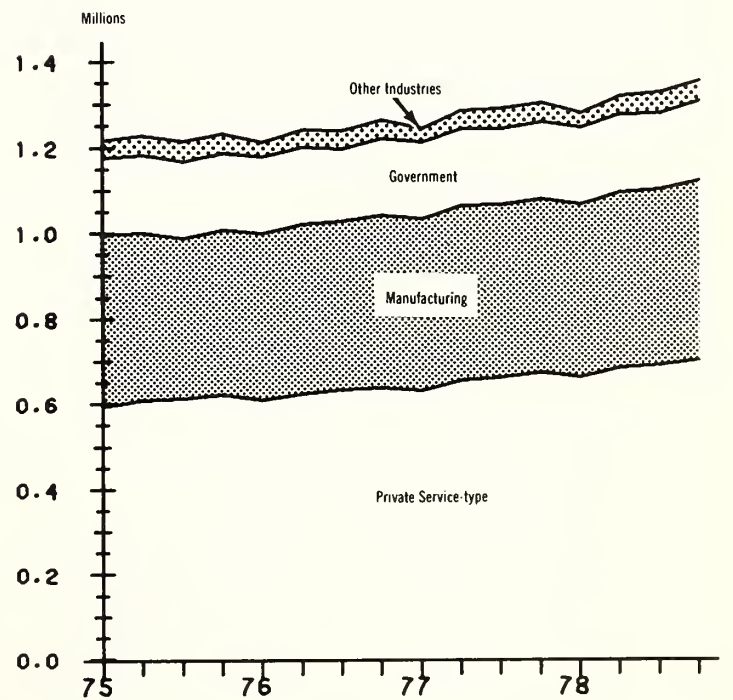


Chart 10.—Industrial Composition of Nonagricultural Employment: Connecticut



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Connecticut Through Fourth Quarter, 1978

| | United States | | | Connecticut | | | U.S. | State | U.S. | State |
|---------------------------------|---|---------|----------|-------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 5,442 | 5,633 | 6,432 | n.a. | 16.3 | 18.2 | --- | --- |
| Commercial and industrial .. | 196,317 | n.a. | 1,689 | 1,674 | 1,946 | n.a. | 14.2 | 15.2 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 1,511 | 1,602 | 1,763 | n.a. | 20.2 | 16.6 | --- | --- |
| Real estate | 177,935 | n.a. | 1,948 | 2,019 | 2,370 | n.a. | 19.9 | 21.7 | --- | --- |
| Residential | 101,236 | n.a. | 1,292 | 1,338 | 1,557 | n.a. | 21.3 | 20.5 | --- | --- |
| Farms | 7,731 | n.a. | 2 | 2 | 3 | n.a. | 10.7 | 66.9 | --- | --- |
| Other | 68,968 | n.a. | 654 | 679 | 811 | n.a. | 19.0 | 24.0 | --- | --- |
| Farms, excluding real estate .. | 25,704 | n.a. | 8 | 17 | 9 | n.a. | 6.8 | 19.9 | --- | --- |
| Other | 69,947 | n.a. | 287 | 320 | 344 | n.a. | 8.0 | 20.1 | --- | --- |
| Total deposits | 925,511 | n.a. | 8,255 | 8,987 | 8,967 | n.a. | 11.5 | 8.6 | --- | --- |
| Demand | 377,683 | n.a. | 3,563 | 4,193 | 3,734 | n.a. | 10.2 | 4.8 | --- | --- |
| Time and savings | 547,828 | n.a. | 4,692 | 4,795 | 5,233 | n.a. | 12.3 | 11.5 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 16.8 percent in both the State and Nation (table 6). In 1978:IV, contracts in the State totaled \$572 million, for a gain over the year of \$83 million. More than one-half of Connecticut's gain in the total valuation of contracts was traceable to a \$48 million contract in 1978:IV for a commercial warehouse in Hartford. If this warehouse is excluded, the total valuation in the State would have increased only 7 percent.

Construction costs nationally increased about 13 percent; if this increase is representative of cost changes in Connecticut, the real valuation of construction contracts (including the warehouse) would have increased about 4 percent, the same as nationally.

The valuation of nonresidential contracts, largely reflecting the warehouse, increased 38.5 percent in the State versus 15.8 percent in the Nation. Connecticut's gain ranked twelfth among all State gains. The gain in the valuation of nonresidential contracts in Connecticut accounted for nearly two-thirds of the dollar gain in the total valuation of contracts in the State.

The valuation of nonbuilding contracts increased 30.6 percent in Connecticut versus 22.2 percent in the Nation. Partly accounting for this gain was an increase of 122.1 percent in the valuation of street and highway contracts versus a decline of 16.3 percent in the Nation.

The residential construction market was weak in Connecticut. Contracts for additions and alterations to residential housekeeping units declined slightly in the State, in sharp contrast with a gain of 14.6 percent in the Nation. Connecticut was one of only five States with a decline; Connecticut's decline was exceeded only in Pennsylvania. The valuation of residential housekeeping contracts increased only 2.6 percent in Connecticut versus 15.6 percent in the Nation. The number of dwelling units started declined 10.9 percent (407 units), to 3,344 units. Only nine States had declines larger than Connecticut's. In contrast, in the Nation, the number of dwelling units started was virtually unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

Index, 1976=100

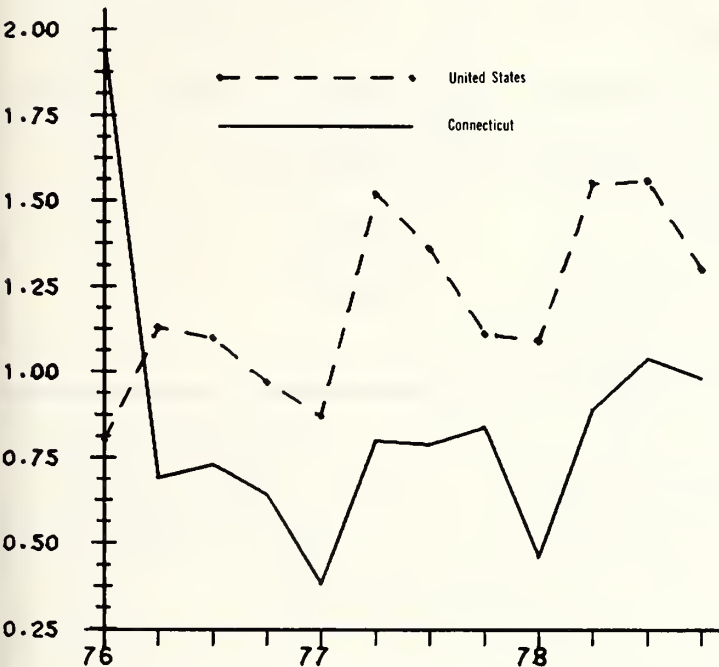


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Connecticut

Billion \$

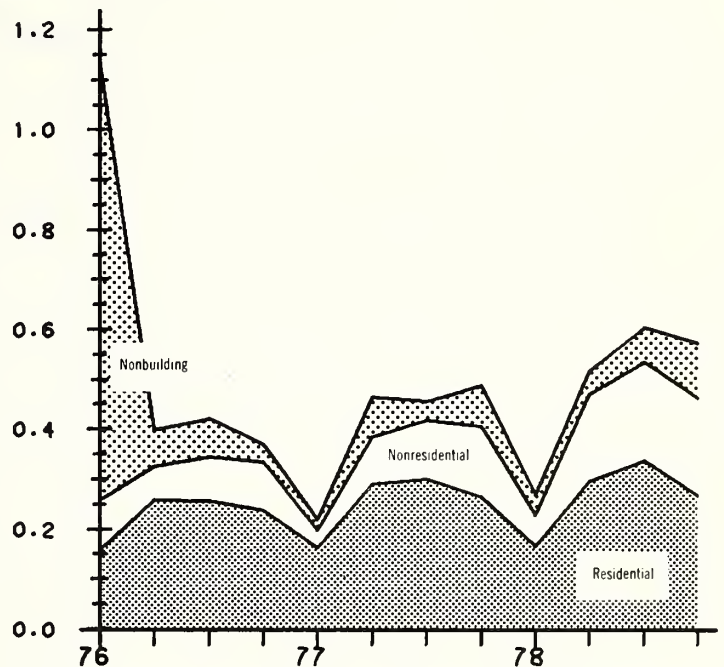


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

Percent

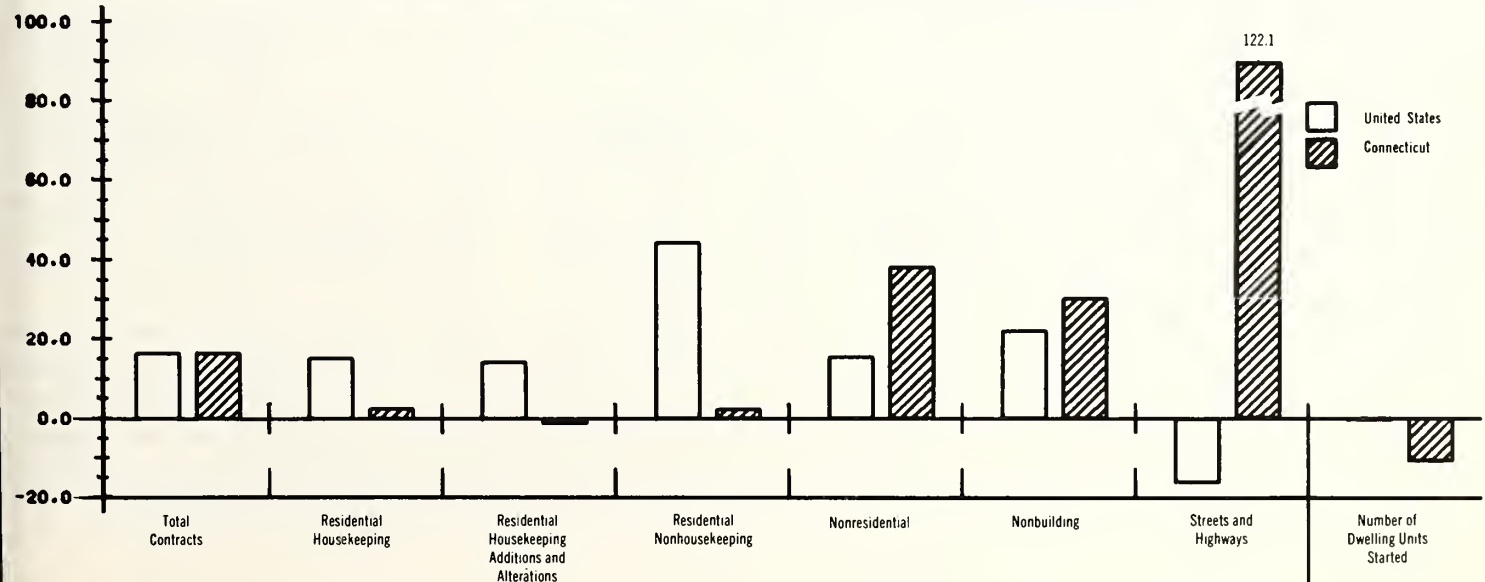


TABLE 6.—Construction Contracts, United States and Connecticut Through Fourth Quarter, 1978¹

| | United States | | | Connecticut | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|-------------|----------|---------|-----------------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 457,336 | 489,583 | 605,396 | 571,995 | 14.5 | 32.4 | 16.8 | 16.8 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 132,177 | 119,115 | 155,439 | 117,689 | 16.8 | 17.6 | 14.6 | -1.2 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 468 | 594 | 543 | 435 | 4.4 | 16.0 | -9.3 | -26.8 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 325,159 | 370,468 | 449,957 | 454,306 | 14.0 | 38.4 | 17.4 | 22.6 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 8,900 | 8,293 | 9,725 | 10,057 | 10.8 | 9.3 | 10.2 | 21.3 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 74 | 72 | 63 | 61 | -5.1 | -14.9 | -4.3 | -15.3 |
| Number of dwelling units | 445,772 | 443,075 | 4,423 | 3,751 | 4,444 | 3,344 | 1.0 | .5 | -.6 | -10.9 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 170,545 | 143,269 | 183,573 | 146,948 | 15.3 | 7.6 | 15.6 | 2.6 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 5,766 | 4,835 | 5,766 | 4,701 | 10.3 | .0 | 10.7 | -2.8 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 0 | 4 | 2 | 3 | -10.0 | --- | -.4 | -25.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 0 | 2,195 | 595 | 2,250 | 9.4 | --- | 44.8 | 2.5 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 0 | 47 | 20 | 39 | -.7 | --- | 24.7 | -16.7 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 222 | 310 | 223 | 215 | -2.5 | .5 | -12.0 | -30.6 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 116,691 | 141,397 | 195,824 | 195,888 | 27.6 | 67.8 | 15.8 | 38.5 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 3,134 | 3,412 | 3,938 | 5,317 | 12.2 | 25.7 | 8.9 | 55.8 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 172 | 208 | 255 | 156 | 22.4 | 48.3 | -9.1 | -25.0 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 37,923 | 83,607 | 69,965 | 109,220 | -.1 | 84.5 | 22.2 | 30.6 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 40 | 52 | 48 | 27 | 9.3 | 20.0 | -17.8 | -48.1 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 4,906 | 8,575 | 10,080 | 19,049 | 3.0 | 105.5 | -16.3 | 122.1 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Connecticut are not available.

TABLE 7.—Retail Sales, United States and Connecticut Through Fourth Quarter, 1978

| | United States | | | Connecticut | | | U.S. | State | U.S. | State |
|------------------------|--|---------|----------|-------------|----------|---------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Connecticut Through Fourth Quarter, 1978

| | United States | | | Connecticut | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|-------------|----------|---------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 1,363 | 1,301 | 1,440 | n.a. | 8.2 | 5.6 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 18 | 11 | 4 | n.a. | -9.5 | -77.8 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 4,510 | 1,596 | 359 | n.a. | -44.2 | -92.0 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 251 | 145 | 90 | n.a. | -38.4 | -64.1 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 4 | 1 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 6 | 0 | 0 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade | 191 | n.a. | 2 | 2 | 1 | n.a. | -27.1 | -50.0 | --- | --- |
| Retail trade | 688 | n.a. | 9 | 5 | 2 | n.a. | -4.2 | -77.8 | --- | --- |
| Commercial services | 238 | n.a. | 1 | 0 | 0 | n.a. | -24.0 | --- | --- | --- |

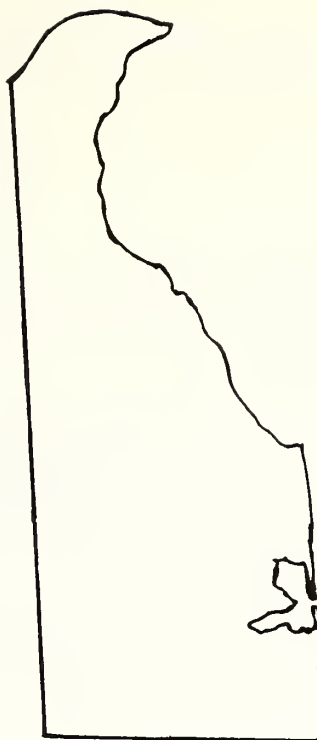
n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

DELAWARE

Highlights



1977:IV to 1978:IV

Personal income

- Up 11.6% vs. 12.6% in U.S., to \$5.2 billion
- Manufacturing payrolls up 6.8% vs. 13.3% in U.S.
- Services payrolls up 21.3% vs. 12.7% in U.S.

Consumer prices

- Up 6.4% in Baltimore and 7.2% in Philadelphia vs. 8.9% in U.S.

Employment

- Up 2.4% vs. 3.9% in U.S., to 259,000

Unemployment

- Down 2,000, to 18,000
- Rate down 0.8 percentage point, to 6.5% of labor force vs. 5.5% in U.S.

Construction

- Total valuation of contracts up 11.8% vs. 16.8% in U.S., to \$112 million
- Valuation of nonresidential contracts down 11.3% vs. 15.8% gain in U.S., to \$33 million
- Number of dwelling-unit starts up 7.4% vs. near stability in U.S., to 1,013

TABLE 1.—Summary of Economic Indicators, United States and Delaware Through Fourth Quarter, 1978

| | United States | | | Delaware | | | U.S. | State | U.S. | State |
|--|--|------------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 4,559 | 4,662 | 5,085 | 5,203 | 12.4 | 11.5 | 12.6 | 11.6 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 3,085 | 3,128 | 3,418 | 3,483 | 12.1 | 10.8 | 12.6 | 11.4 |
| Civilian employment (thousands) | 92,442 | 96,010 | 253 | 253 | 257 | 259 | 4.1 | 1.6 | 3.9 | 2.4 |
| Unemployment (thousands) | 6,149 | 5,605 | 21 | 20 | 23 | 18 | -9.8 | 10.0 | -8.8 | -8.8 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 7.7 | 7.3 | 8.3 | 6.5 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 1,244 | 1,302 | 1,449 | n.a. | 16.3 | 16.5 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 2,329 | 2,428 | 2,569 | n.a. | 11.5 | 10.3 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 98,060 | 100,342 | 183,103 | 112,195 | 14.5 | 86.7 | 16.8 | 11.8 |
| Dwelling units started (number) | 445,772 | 443,075 | 878 | 945 | 1,134 | 1,013 | 1.0 | 29.2 | -6 | 7.2 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 3,659 | 3,726 | 4,197 | n.a. | 8.2 | 14.7 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 4 | 3 | 1 | n.a. | -9.5 | -75.0 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Baltimore | --- | --- | 188.8 | 190.7 | 202.6 | 203.0 | --- | 7.3 | --- | 6.4 |
| Philadelphia | --- | --- | 185.4 | 187.1 | 197.2 | 200.6 | --- | 6.4 | --- | 7.2 |

n.a.: Data not available.

Source: See tables 2 through 8.

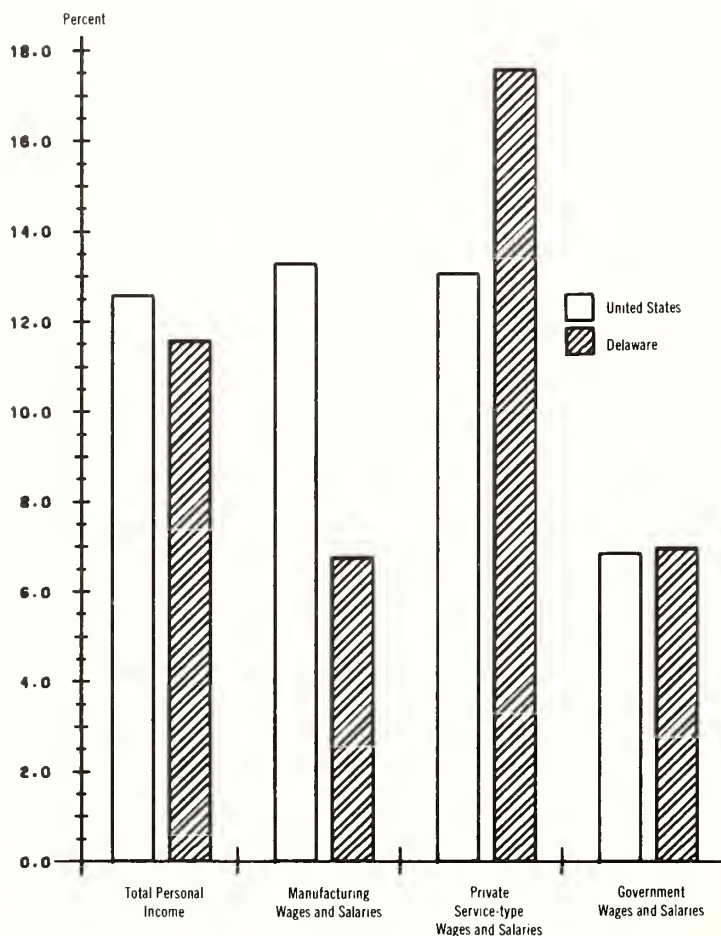
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Delaware increased 11.6 percent from 1977:IV to 1978:IV, lagging the Nation's gain by 1.0 percentage point (table 2). In 1978:IV, Delaware's personal income totaled \$5.2 billion, up \$500 million from 1977:IV. During this timespan, **consumer prices** increased 7.2 percent in the Philadelphia metropolitan area and 6.4 percent in the Baltimore area; both increases were less than the 8.9-percent national increase (table 3). If the average of the two area increases is used as an indicator for price increases throughout the State, real total personal income in Delaware increased 4.8 percent versus 3.7 percent nationally.

Since the last national business cycle peak in 1973:IV, Delaware's economy has grown at a slower pace than the Nation's; the increase in the State's nonfarm income was 17 percent less than nationally. Only New York, New Jersey, and Connecticut registered lower rates of gain.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Wage and salary disbursements (payrolls) in Delaware increased 11.4 percent from 1977:IV to 1978:IV, marginally lagging the Nation's 12.6-percent gain. Both components of manufacturing payrolls registered gains that lagged national counterparts: nondurables payrolls increased 8.1 percent, compared with 10.0 percent nationally, and durables payrolls increased 2.7 percent, compared with 15.2 percent nationally. The gain in durables payrolls—the smallest gain among Delaware's major industries—ranked 48th among all States. Construction payrolls increased 19.5 percent, lagging the Nation's gain of 20.1 percent, to \$230 million. Federal Government payrolls increased 6.5 percent, 0.6 percentage point below the national average gain.

State and local government payrolls increased 7.2 percent, leading the Nation's gain of 6.8 percent, to \$409 million. Most of the State's private service-type industries registered large payroll gains. Services payrolls increased 21.3 percent, a rate of gain exceeded only in Wyoming, to \$486 million. Trade payrolls also increased at one of the highest rates in the Nation. Transportation-communication-public utilities payrolls increased 11.3 percent, the same as nationally, to \$192 million.

State unemployment insurance benefits declined by almost one-half—from \$49 million in 1977:IV to \$27 million in 1978:IV. Nationally, unemployment insurance benefits declined 30.3 percent.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

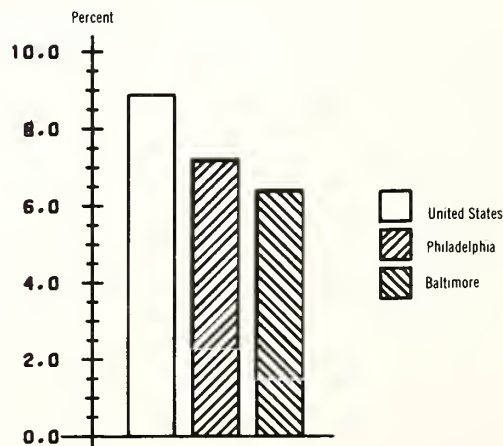


Chart 3.—Total Personal Income
[Seasonally adjusted]

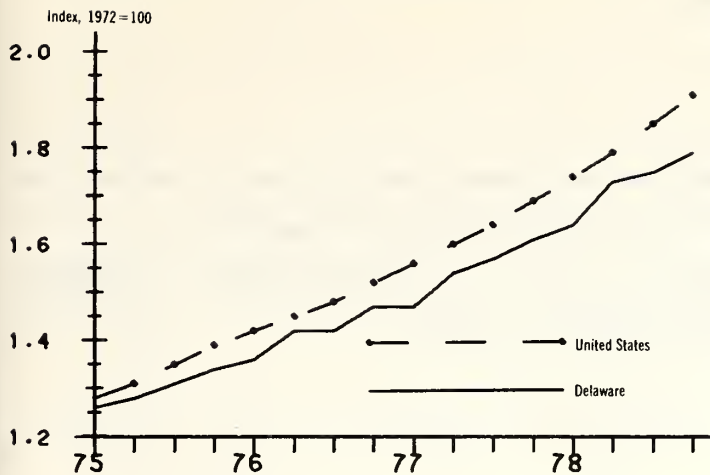


Chart 4.—Industrial Composition of Wages and Salaries: Delaware
[Seasonally adjusted]

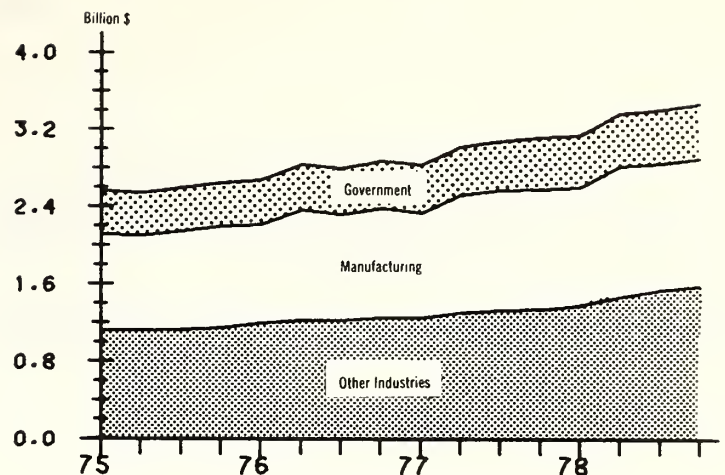


TABLE 2.—Personal Income, United States and Delaware Through Fourth Quarter, 1978

| | United States | | | Delaware | | | U.S. | State | U.S. | State |
|---|---------------|-----------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 4,559 | 4,662 | 5,085 | 5,203 | 12.4 | 11.5 | 12.6 | 11.6 |
| Farm personal income..... | 31,224 | 39,451 | 58 | 70 | 107 | 124 | 47.9 | 85.3 | 26.3 | 77.5 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 4,502 | 4,592 | 4,977 | 5,078 | 11.9 | 10.6 | 12.3 | 10.6 |
| Total personal income | 1,583,508 | 1,782,519 | 4,559 | 4,662 | 5,085 | 5,203 | 12.4 | 11.5 | 12.6 | 11.6 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,085 | 3,128 | 3,418 | 3,483 | 12.1 | 10.8 | 12.6 | 11.4 |
| Other labor income..... | 96,016 | 111,719 | 319 | 322 | 359 | 362 | 17.0 | 12.7 | 16.4 | 12.3 |
| Proprietors' income..... | 105,953 | 125,995 | 210 | 224 | 277 | 298 | 21.5 | 31.8 | 18.9 | 33.0 |
| Farm | 23,636 | 31,044 | 45 | 57 | 94 | 111 | 66.6 | 106.4 | 31.3 | 93.6 |
| Nonfarm | 82,317 | 94,951 | 165 | 167 | 183 | 188 | 12.8 | 11.2 | 15.3 | 12.3 |
| Dividends, interest, and rent | 214,992 | 242,442 | 751 | 770 | 830 | 852 | 12.3 | 10.6 | 12.8 | 10.6 |
| Transfer payments | 215,944 | 233,750 | 525 | 545 | 569 | 576 | 8.8 | 8.4 | 8.2 | 5.7 |
| State unemployment insurance benefits..... | 11,128 | 7,753 | 39 | 49 | 29 | 27 | -24.0 | -27.4 | -30.3 | -45.9 |
| Less: personal contributions | 62,212 | 71,610 | 186 | 186 | 210 | 210 | 14.8 | 12.4 | 15.1 | 13.3 |
| Plus: residence adjustment..... | -401 | -473 | -144 | -142 | -159 | -158 | — | — | — | — |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,085 | 3,128 | 3,418 | 3,483 | 12.1 | 10.8 | 12.6 | 11.4 |
| Farm | 7,176 | 7,939 | 12 | 13 | 13 | 13 | 8.5 | 8.0 | 10.6 | 6.7 |
| Nonfarm | 1,006,040 | 1,132,757 | 3,073 | 3,115 | 3,405 | 3,469 | 12.1 | 10.8 | 12.6 | 11.4 |
| Mining | 14,048 | 18,813 | 5 | 9 | 4 | 4 | 26.5 | -5.1 | 33.9 | -54.1 |
| Construction | 55,648 | 66,858 | 190 | 193 | 235 | 230 | 19.1 | 23.4 | 20.1 | 19.5 |
| Manufacturing | 276,112 | 312,970 | 1,245 | 1,237 | 1,316 | 1,321 | 12.1 | 5.8 | 13.3 | 6.8 |
| Durable goods | 176,216 | 203,053 | 0 | 0 | 0 | 0 | 13.7 | — | 15.2 | — |
| Nondurable goods | 99,896 | 109,917 | 0 | 0 | 0 | 0 | 9.4 | — | 10.0 | — |
| Private service-type | 455,764 | 515,348 | 0 | 0 | 0 | 0 | 12.8 | — | 13.1 | — |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 177 | 173 | 189 | 192 | 10.4 | 7.2 | 11.3 | 11.3 |
| Wholesale and retail trade | 170,888 | 195,035 | 426 | 428 | 488 | 515 | 13.6 | 14.7 | 14.1 | 20.3 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 129 | 131 | 138 | 139 | 14.1 | 7.1 | 13.2 | 5.7 |
| Services | 153,840 | 173,396 | 395 | 401 | 473 | 486 | 12.6 | 19.6 | 12.7 | 21.3 |
| Government | 201,252 | 215,083 | 502 | 537 | 554 | 575 | 7.4 | 10.4 | 6.9 | 7.0 |
| Federal..... | 68,176 | 73,003 | 149 | 155 | 161 | 165 | 7.3 | 8.3 | 7.1 | 6.5 |
| State and local | 133,076 | 142,080 | 353 | 382 | 393 | 409 | 7.5 | 11.4 | 6.8 | 7.2 |
| Other | 3,216 | 3,685 | 0 | 0 | 0 | 0 | 18.7 | — | 14.6 | — |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Delaware Through Fourth Quarter, 1978¹

| | United States | | | Delaware | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|----------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Baltimore | --- | --- | 188.8 | 190.7 | 202.6 | 203.0 | --- | 7.3 | --- | 6.4 |
| Philadelphia | --- | --- | 185.4 | 187.1 | 197.2 | 200.6 | --- | 6.4 | --- | 7.2 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Delaware's **civilian labor force** increased 1.6 percent, about one-half of the Nation's average advance (table 4). **Total employment** increased from 253,000 to 259,000, a 2.4-percent advance that lagged the national advance of 3.9 percent.

With employment increasing by 6,000 and the labor force increasing by only 4,000, the number of **unemployed** declined by 2,000. The

unemployment rate declined 0.8 percentage point, to 6.5 percent of the labor force. Delaware's unemployment rate was about 1 percentage above the Nation's rate in both 1977:IV and 1978:IV.

According to preliminary data for December 1978, the unemployment rate in the Wilmington metropolitan area was 5.9 percent, compared with a 6.4-percent rate statewide.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Delaware

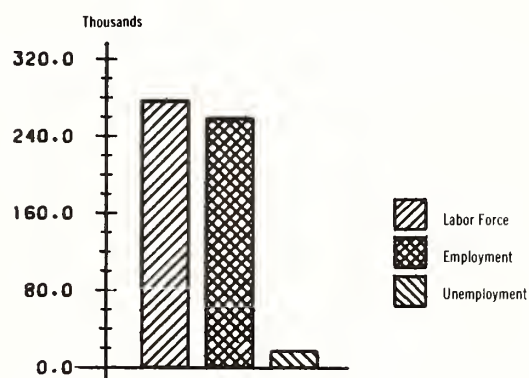


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

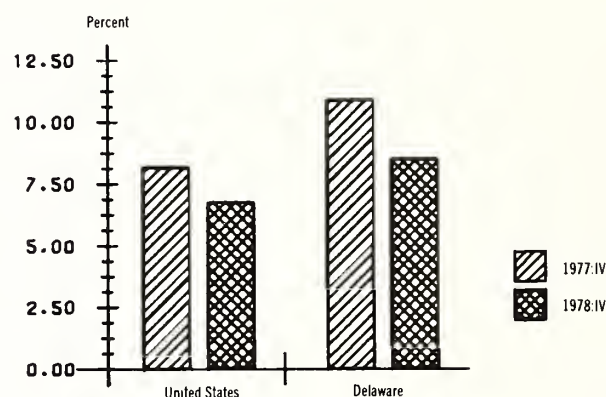


TABLE 4.—Labor Force, United States and Delaware Through Fourth Quarter, 1978

| | United States | | | Delaware | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 243 | 244 | 252 | 255 | 4.3 | 3.9 | 4.2 | 4.6 |
| Mining and services..... | 16,326 | 17,114 | 41 | 40 | 44 | 43 | — | 5.3 | — | 7.5 |
| Construction | 4,032 | 4,488 | 16 | 15 | 17 | 16 | 10.4 | 5.1 | 11.3 | 3.3 |
| Manufacturing | 19,986 | 20,722 | 69 | 69 | 70 | 70 | 3.1 | 1.2 | 3.7 | .9 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 12 | 12 | 13 | 13 | 3.8 | 4.1 | 4.4 | 8.3 |
| Wholesale and retail trade | 19,152 | 20,015 | 54 | 54 | 55 | 58 | 5.3 | 1.7 | 4.5 | 6.7 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 11 | 11 | 12 | 11 | 4.8 | 4.5 | -2.0 | 5.6 |
| Government | 15,434 | 15,656 | 39 | 42 | 43 | 44 | 2.1 | 9.5 | 1.4 | 4.5 |
| Civilian labor force ³ | 98,591 | 101,615 | 274 | 273 | 280 | 277 | 3.2 | 2.3 | 3.1 | 1.6 |
| Total employed | 92,442 | 96,010 | 253 | 253 | 257 | 259 | 4.1 | 1.6 | 3.9 | 2.4 |
| Total unemployed | 6,149 | 5,605 | 21 | 20 | 23 | 18 | -9.8 | 10.0 | -8.8 | -8.8 |
| Percent unemployed | 6.2 | 5.5 | 7.7 | 7.3 | 8.3 | 6.5 | — | — | — | — |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

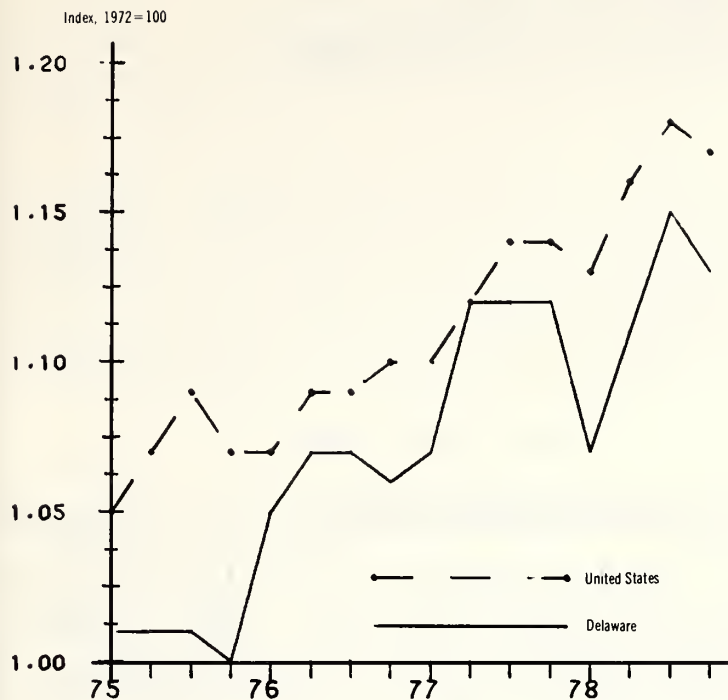


Chart 8.—Civilian Employment

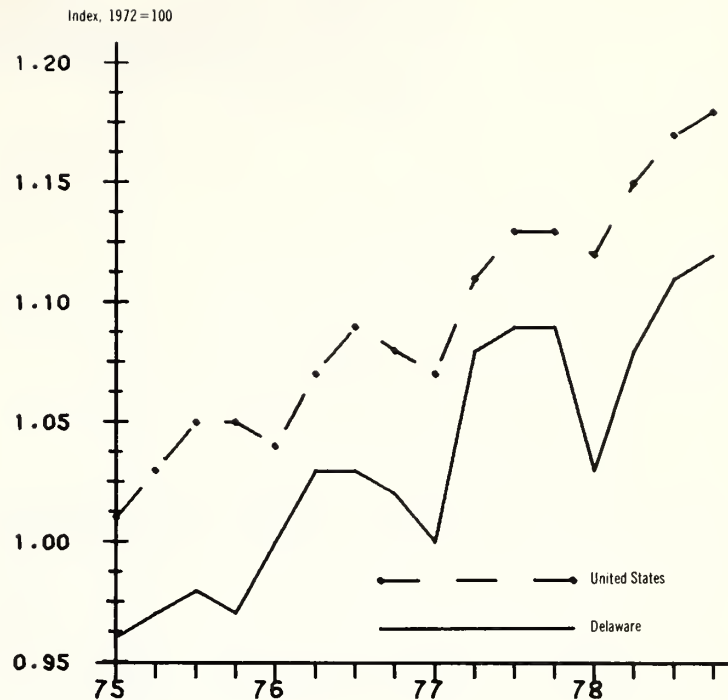


Chart 9.—Unemployment Rate

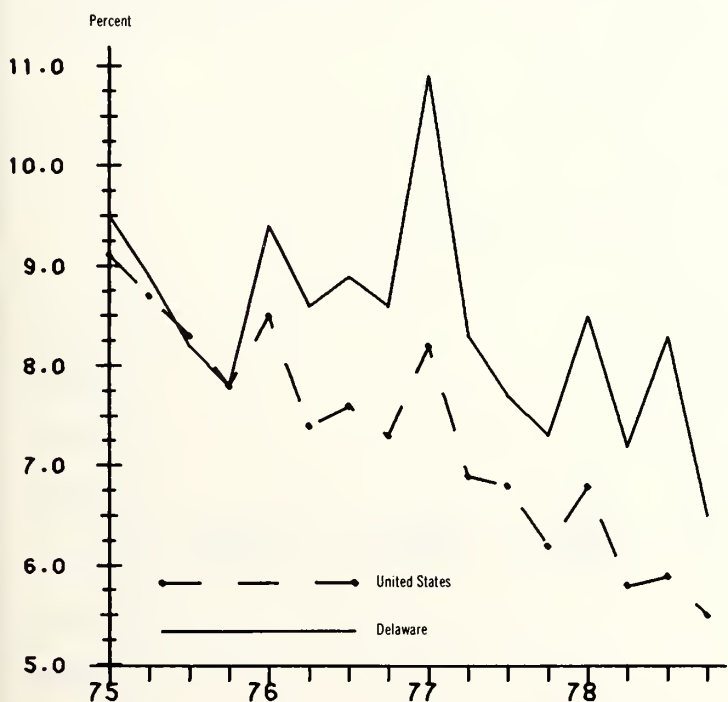
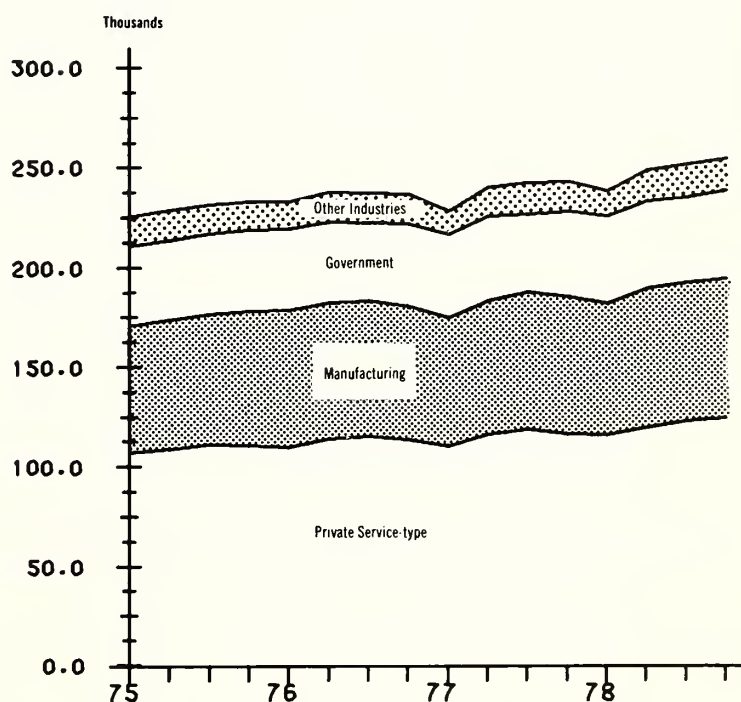


Chart 10.—Industrial Composition of Nonagricultural Employment: Delaware



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Delaware Through Fourth Quarter, 1978

| | United States | | | Delaware | | | U.S. | State | U.S. | State |
|------------------------------------|---|-------------|--------------|--------------|--------------|-------------|-----------------------------|-------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 1,244 | 1,302 | 1,449 | n.a. | 16.3 | 16.5 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 196 | 207 | 219 | n.a. | 14.2 | 12.0 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 415 | 422 | 478 | n.a. | 20.2 | 15.3 | --- | --- |
| Real estate | 177,935 | n.a. | 563 | 586 | 658 | n.a. | 19.9 | 17.0 | --- | --- |
| Residential | 101,236 | n.a. | 375 | 396 | 453 | n.a. | 21.3 | 20.8 | --- | --- |
| Farms | 7,731 | n.a. | 15 | 16 | 19 | n.a. | 10.7 | 23.6 | --- | --- |
| Other | 68,968 | n.a. | 173 | 174 | 187 | n.a. | 19.0 | 8.1 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 12 | 13 | 12 | n.a. | 6.8 | 2.2 | --- | --- |
| Other | 69,947 | n.a. | 58 | 75 | 81 | n.a. | 8.0 | 38.9 | --- | --- |
| Total deposits | 925,511 | n.a. | 2,329 | 2,428 | 2,569 | n.a. | 11.5 | 10.3 | --- | --- |
| Demand | 377,683 | n.a. | 853 | 985 | 936 | n.a. | 10.2 | 9.7 | --- | --- |
| Time and savings | 547,828 | n.a. | 1,476 | 1,443 | 1,634 | n.a. | 12.3 | 10.7 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of contracts in Delaware rose 11.8 percent, lagging the Nation's gain by 5 percentage points, to \$112.2 million (table 6). National construction costs rose about 13 percent during the same timespan; if this rise reflects the advance throughout Delaware, the real total valuation of contracts in the State declined marginally versus a rise of about 4 percent nationally.

The valuation of nonresidential contracts declined 11.3 percent from year to year, compared with a 15.8-percent gain nationally. Large contracts in New Castle County affected the valuation of nonresidential contracts in both 1977:IV and 1978:IV. In 1977:IV, the valuation totaled \$36.9 million, including \$20 million for the construction of a shopping center. In 1978:IV, the valuation totaled \$32.7 million, including \$12 million for the construction of an office building. If both contracts are excluded, the valuation of nonresidential contracts in Delaware would have increased 22.6 percent.

The valuation of all other types of construction contracts in Delaware increased at rates that exceeded those of national counterparts. Residential housekeeping contracts rose 16.7 percent in valuation, comparing favorably with the Nation's 15.6-percent gain. The number of dwelling units started rose 7.2 percent, to 1,013 units. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level. The valuation of contracts for additions and alterations to residential housekeeping units rose 24.5 percent, almost 10 percentage points above the national average, to \$22.2 million.

The valuation of nonbuilding contracts rose 30.8 percent versus the Nation's 22.2-percent gain, to \$22.3 million. Delaware's gain was partly due to a \$12 million roadway contract in New Castle County in 1978:IV. Reflecting the roadway contract, the valuation of street and highway contracts rose nearly sevenfold. Delaware's gain was exceeded only by South Dakota's. Nationally, the valuation of street and highway contracts declined 16.3 percent.

Chart 14.—Construction Contracts—Total Valuation

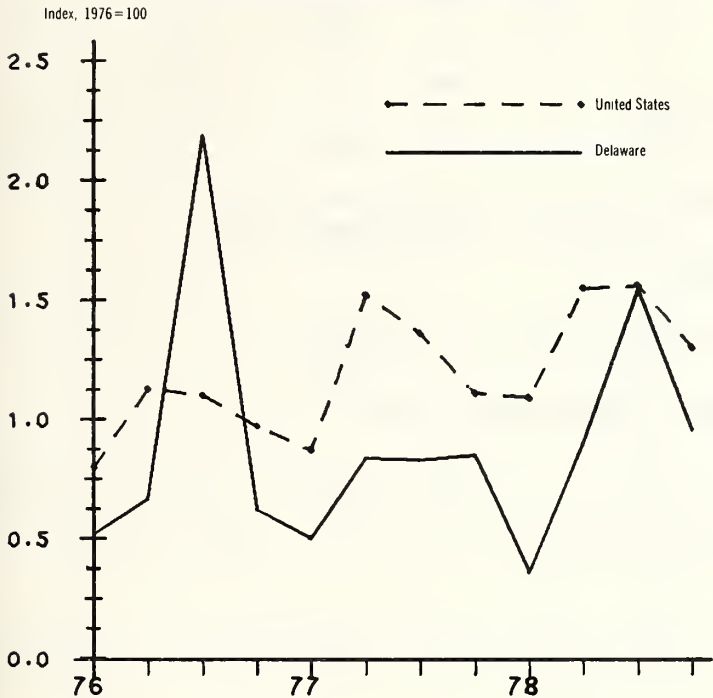


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Delaware

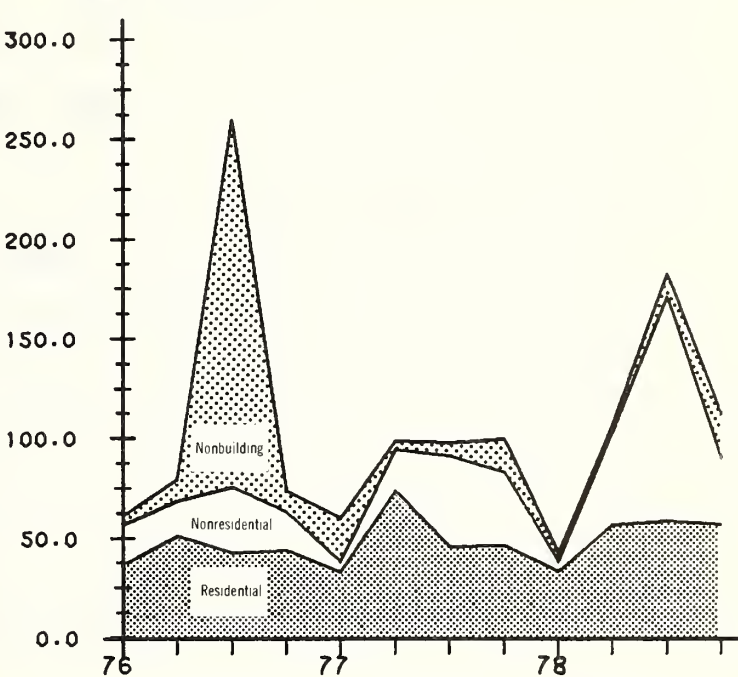


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

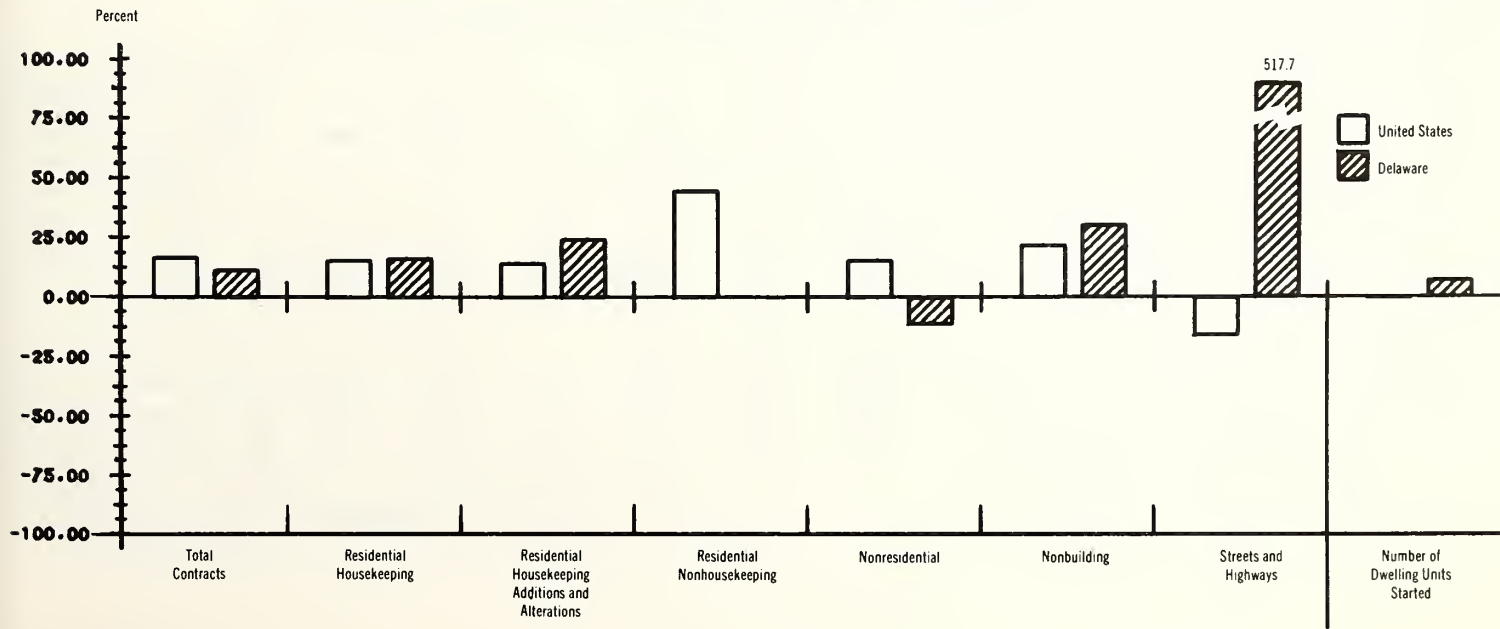


TABLE 6.—Construction Contracts, United States and Delaware Through Fourth Quarter, 1978¹

| | United States | | | | Delaware | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|---------------|----------------|----------------|----------------|-----------------------------|-------------|---------------------|-------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 98,060 | 100,342 | 183,103 | 112,195 | 14.5 | 86.7 | 16.8 | 11.8 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 19,632 | 17,824 | 23,577 | 22,187 | 16.8 | 20.1 | 14.6 | 24.5 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 167 | 170 | 215 | 156 | 4.4 | 28.7 | -9.3 | -8.2 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 78,428 | 82,518 | 159,526 | 90,008 | 14.0 | 103.4 | 17.4 | 9.1 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 2,454 | 2,394 | 2,012 | 1,969 | 10.8 | -18.0 | 10.2 | -17.7 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 17 | 18 | 14 | 14 | -5.1 | -17.6 | -4.3 | -22.2 |
| Number of dwelling units | 445,772 | 443,075 | 878 | 945 | 1,134 | 1,013 | 1.0 | 29.2 | -6 | 7.2 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 26,300 | 28,627 | 34,380 | 33,410 | 15.3 | 30.7 | 15.6 | 16.7 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 952 | 1,047 | 1,239 | 1,114 | 10.3 | 30.1 | 10.7 | 6.4 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 1 | 0 | 3 | 6 | -10.0 | 200.0 | -4 | --- |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 58 | 0 | 1,130 | 1,640 | 9.4 | *** | 44.8 | --- |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 0 | 0 | 28 | 58 | -7 | --- | 24.7 | --- |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 112 | 98 | 124 | 88 | -2.5 | 10.7 | -12.0 | -10.2 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 45,679 | 36,862 | 112,082 | 32,679 | 27.6 | 145.4 | 15.8 | -11.3 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 1,503 | 1,347 | 745 | 797 | 12.2 | -50.4 | 8.9 | -40.8 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 37 | 54 | 74 | 48 | 22.4 | 100.0 | -9.1 | -11.1 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 6,391 | 17,029 | 11,934 | 22,279 | -1 | 86.7 | 22.2 | 30.8 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 22 | 15 | 27 | 20 | 9.3 | 22.7 | -17.8 | 33.3 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 5,548 | 2,823 | 7,008 | 18,961 | 3.0 | 26.3 | -16.3 | 571.7 |

***Percent change greater than 999.9.

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Delaware are not available.

TABLE 7.—Retail Sales, United States and Delaware Through Fourth Quarter, 1978

| | United States | | | | Delaware | | U.S. | State | U.S. | State |
|---------------------|--|----------------|-------------|-------------|-------------|-------------|-----------------------|------------|---------------------|------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Delaware Through Fourth Quarter, 1978

| | United States | | | | Delaware | | U.S. | State | U.S. | State |
|--|-------------------------|-------------|--------------|--------------|--------------|-------------|-----------------------|--------------|---------------------|------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 3,659 | 3,726 | 4,197 | n.a. | 8.2 | 14.7 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 4 | 3 | 1 | n.a. | -9.5 | -75.0 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 394 | 853 | 26 | n.a. | -44.2 | -93.4 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 99 | 284 | 26 | n.a. | -38.4 | -73.7 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 0 | 0 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 1 | 2 | 0 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 0 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 3 | 1 | 1 | n.a. | -4.2 | -66.7 | --- | --- |
| Commercial services | 238 | n.a. | 0 | 0 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

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DISTRICT OF COLUMBIA

Highlights

1977:IV to 1978:IV

Personal income

- Up 8.4% vs. 12.6% in U.S., to \$7.0 billion
- Services payrolls up 8.9% vs. 12.7% in U.S.
- Local government payrolls up 0.2% vs. 6.8% in U.S.

Consumer prices

- Up 9.1% in the metropolitan area vs. 8.9% in U.S.

Employment

- Up 3.6% vs. 3.9% in U.S., to 309,000

Unemployment

- Down 3,000, to 26,000
- Rate down 1.1 percentage points, to 7.8% of labor force vs. 5.5% in U.S.

Construction

- Total valuation of contracts down 51.0% vs. 16.8% gain in U.S., to \$112 million
- Number of dwelling-unit starts up sharply vs. near stability in U.S., to 661

TABLE 1.—Summary of Economic Indicators, United States and District of Columbia Through Fourth Quarter, 1978

| | United States | | | District of Columbia | | | U.S. | State | U.S. | State |
|--|---------------|------------|----------|----------------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| All indicators, except income, not seasonally adjusted | | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 6,209 | 6,475 | 6,765 | 7,018 | 12.4 | 8.9 | 12.6 | 8.4 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 9,656 | 10,165 | 10,398 | 10,926 | 12.1 | 7.7 | 12.6 | 7.5 |
| Civilian employment (thousands) | 92,442 | 96,010 | 298 | 298 | 304 | 309 | 4.1 | 2.0 | 3.9 | 3.6 |
| Unemployment (thousands) | 6,149 | 5,605 | 33 | 29 | 31 | 26 | —9.8 | —5.0 | —8.8 | —10.9 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 10.0 | 8.9 | 9.4 | 7.8 | — | — | — | — |
| Total loans (millions of dollars) | 610,502 | n.a. | 2,675 | 2,828 | 3,319 | n.a. | 16.3 | 24.0 | — | — |
| Total deposits (millions of dollars) | 925,511 | n.a. | 4,101 | 4,392 | 4,682 | n.a. | 11.5 | 14.2 | — | — |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 143,314 | 228,096 | 141,100 | 111,680 | 14.5 | —1.5 | 16.8 | —51.0 |
| Dwelling units started (number) | 445,772 | 443,075 | 552 | 177 | 462 | 661 | 1.0 | —16.3 | —6 | 273.4 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | — | 11.2 | — |
| New business incorporations (number) | 109,411 | n.a. | 542 | 577 | 183 | n.a. | 8.2 | —66.2 | — | — |
| Business failures (number) | 1,684 | n.a. | 0 | 0 | 0 | n.a. | —9.5 | — | — | — |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | — | — | — | — | 7.9 | — | 8.9 | — |
| Washington, D.C. | — | — | 185.5 | 188.1 | 201.8 | 205.3 | — | 8.8 | — | 9.1 |

n.a.: Data not available.

Source: See tables 2 through 8.

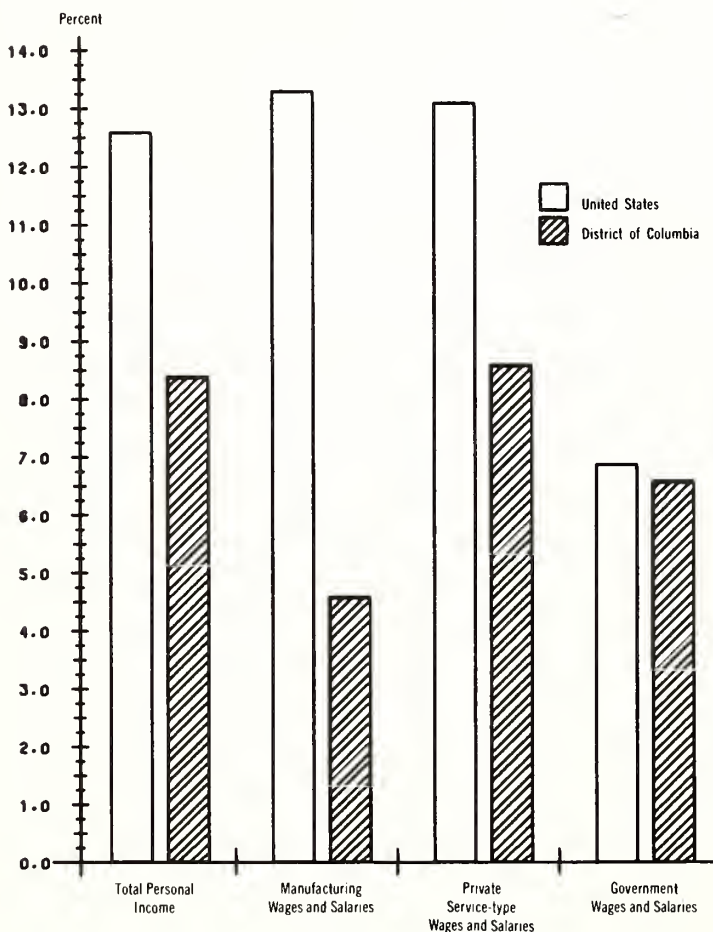
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in the District of Columbia increased 8.4 percent from 1977:IV to 1978:IV, lagging the Nation's increase by over 4 percentage points; only Alaska registered a smaller increase. In 1978:IV, the District's personal income totaled \$7.0 billion, up \$543 million since 1977:IV. During this timespan, the **Consumer Price Index** for the Washington, D.C. metropolitan area increased 9.1 percent versus 8.9 percent nationally (table 3). If the metropolitan area increase is used as an indicator for price increases within the District, real total personal income in the District declined almost 1.0 percent from year to year, compared with a 3.7-percent increase nationally.

Since the last national business cycle peak in 1973:IV, the District's economy has grown more slowly than the Nation's; the increase in nonfarm income was 17 percent less than nationally. Growth was slower only in New York, New Jersey, Connecticut, and Delaware.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Wage and salary disbursements (payrolls), which include disbursements within the District to nondistrict residents, increased 7.5 percent from 1977:IV to 1978:IV, compared with 12.6 percent nationally, to \$10.9 billion. All of the District's major industries except Federal Government registered payroll gains that fell short of national counterparts. State and local government payrolls increased 0.2 percent, less than in any State, to \$934 million. Manufacturing payrolls increased 4.6 percent, almost one-third of the national increase. Construction payrolls increased 11.0 percent, compared with a 20.1-percent gain nationally.

Private service-type industries registered payroll gains that were among the smallest in the Nation. Services payrolls increased 8.9 percent, lagging the national average increase by almost 4 percentage points, to \$2.6 billion. Transportation-communication-public utilities payrolls increased 5.8 percent, compared with 11.3 percent in the Nation. Trade payrolls increased at a rate that was appreciably lower than the Nation's.

Federal Government payrolls increased 7.9 percent versus 7.1 percent nationally, to \$5.1 billion. In 1978:IV, the Federal Government payroll in the District of Columbia accounted for 7.0 percent of all Federal payrolls nationally.

District unemployment insurance benefits declined 41.8 percent, from \$73 million in 1977:IV to \$43 million in 1978:IV. Nationally, unemployment insurance benefits declined 30.3 percent.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

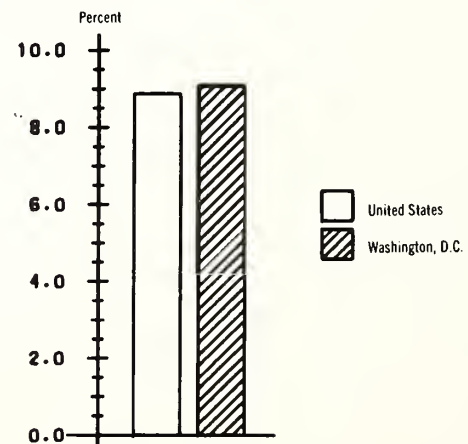


Chart 3.—Total Personal Income
[Seasonally adjusted]

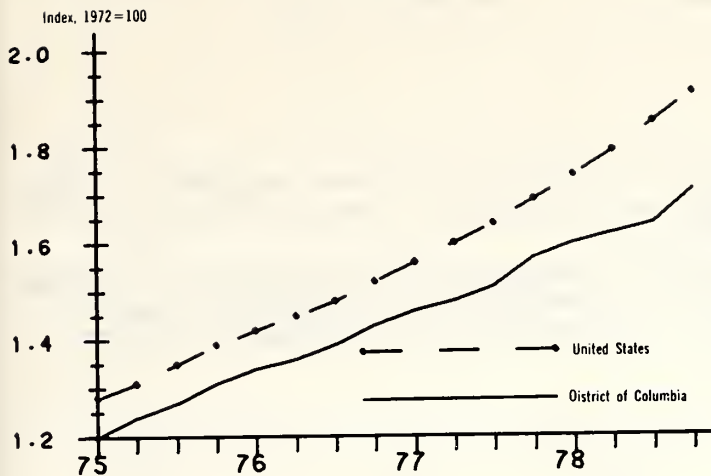


Chart 4.—Industrial Composition of Wages and Salaries: District of Columbia
[Seasonally adjusted]

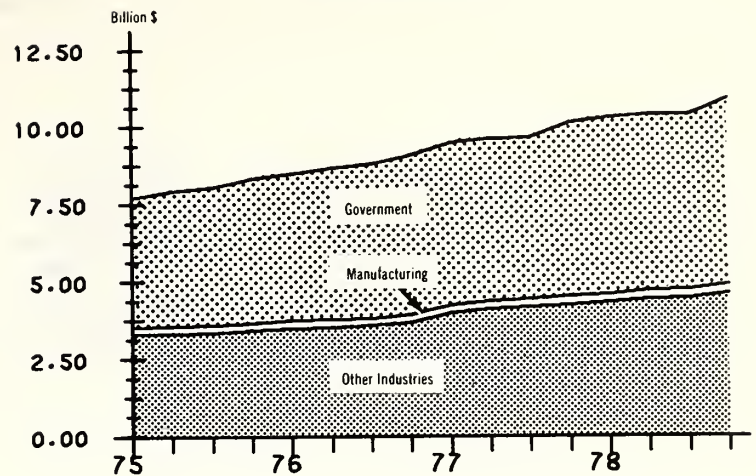


TABLE 2.—Personal Income, United States and District of Columbia Through Fourth Quarter, 1978

| | United States | | | District of Columbia | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|----------------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | | | | | | | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | | | | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 6,209 | 6,475 | 6,765 | 7,018 | 12.4 | 8.9 | 12.6 | 8.4 |
| Farm personal income | 31,224 | 39,451 | 0 | 0 | 0 | 0 | 47.9 | --- | 26.3 | --- |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 6,209 | 6,475 | 6,765 | 7,018 | 11.9 | 8.9 | 12.3 | 8.4 |
| Total personal income | 1,583,508 | 1,782,519 | 6,209 | 6,475 | 6,765 | 7,018 | 12.4 | 8.9 | 12.6 | 8.4 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 9,656 | 10,165 | 10,398 | 10,926 | 12.1 | 7.7 | 12.6 | 7.5 |
| Dther labor income | 96,016 | 111,719 | 535 | 562 | 596 | 620 | 17.0 | 11.4 | 16.4 | 10.3 |
| Proprietors' income | 105,953 | 125,995 | 201 | 202 | 214 | 218 | 21.5 | 6.5 | 18.9 | 8.3 |
| Farm | 23,636 | 31,044 | 0 | 0 | 0 | 0 | 66.6 | --- | 31.3 | --- |
| Nonfarm | 82,317 | 94,951 | 201 | 202 | 214 | 218 | 12.8 | 6.5 | 15.3 | 8.3 |
| Dividends, interest, and rent | 214,992 | 242,442 | 1,131 | 1,158 | 1,265 | 1,301 | 12.3 | 11.9 | 12.8 | 12.3 |
| Transfer payments | 215,944 | 233,750 | 1,317 | 1,352 | 1,429 | 1,449 | 8.8 | 8.5 | 8.2 | 7.2 |
| State unemployment insurance benefits | 11,128 | 7,753 | 58 | 73 | 45 | 43 | -24.0 | -21.8 | -30.3 | -41.8 |
| Less: personal contributions | 62,212 | 71,610 | 573 | 578 | 619 | 633 | 14.8 | 8.0 | 15.1 | 9.5 |
| Plus: residence adjustment | -401 | -473 | -6,056 | -6,387 | -6,518 | -6,864 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 9,656 | 10,165 | 10,398 | 10,926 | 12.1 | 7.7 | 12.6 | 7.5 |
| Farm | 7,176 | 7,939 | 0 | 0 | 0 | 0 | 8.5 | --- | 10.6 | --- |
| Nonfarm | 1,006,040 | 1,132,757 | 9,656 | 10,165 | 10,398 | 10,926 | 12.1 | 7.7 | 12.6 | 7.5 |
| Mining | 14,048 | 18,813 | 1 | 1 | 1 | 1 | 26.5 | 14.1 | 33.9 | 14.1 |
| Construction | 55,648 | 66,858 | 239 | 215 | 247 | 239 | 19.1 | 3.4 | 20.1 | 11.0 |
| Manufacturing | 276,112 | 312,970 | 247 | 263 | 274 | 275 | 12.1 | 11.2 | 13.3 | 4.6 |
| Durable goods | 176,216 | 203,053 | D | D | D | D | 13.7 | — | 15.2 | — |
| Nondurable goods | 99,896 | 109,917 | D | D | D | D | 9.4 | — | 10.0 | — |
| Private service-type | 455,764 | 515,348 | D | D | D | D | 12.8 | — | 13.1 | — |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 519 | 545 | 567 | 577 | 10.4 | 9.1 | 11.3 | 5.8 |
| Wholesale and retail trade | 170,888 | 195,035 | 654 | 656 | 698 | 700 | 13.6 | 6.8 | 14.1 | 6.8 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 412 | 416 | 457 | 469 | 14.1 | 10.9 | 13.2 | 12.8 |
| Services | 153,840 | 173,396 | 2,293 | 2,351 | 2,418 | 2,561 | 12.6 | 5.4 | 12.7 | 8.9 |
| Government | 201,252 | 215,083 | 5,220 | 5,644 | 5,652 | 6,018 | 7.4 | 8.3 | 6.9 | 6.6 |
| Federal | 68,176 | 73,003 | 4,395 | 4,712 | 4,761 | 5,084 | 7.3 | 8.3 | 7.1 | 7.9 |
| State and local | 133,076 | 142,080 | 825 | 932 | 891 | 934 | 7.5 | 8.0 | 6.8 | .2 |
| Other | 3,216 | 3,685 | D | D | D | D | 18.7 | — | 14.6 | — |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and District of Columbia Through Fourth Quarter, 1978¹

| | United States | | | District of Columbia | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|----------------------|----------|---------|-----------------------|----------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Index, 1967=100, not seasonally adjusted | | | | | | | Percent change | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Washington, D.C. | --- | --- | 185.5 | 188.1 | 201.8 | 205.3 | --- | 8.8 | --- | 9.1 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NDTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the District of Columbia's **civilian labor force** increased 2.3 percent, lagging the Nation's 3.1-percent advance (table 4). **Total employment** increased from 298,000 to 309,000, a 3.6-percent advance that was marginally below the national advance of 3.9 percent.

With employment increasing by 11,000 and the labor force increasing by only 8,000, the number of **unemployed** declined by 3,000. The **unemployment rate** declined 1.1 percentage points, to 7.8 percent of the

labor force. The District's unemployment rate in 1978:IV was exceeded only by the rate in Alaska and was well above the Nation's 5.5-percent rate.

According to preliminary data for December 1978, the unemployment rate was 7.1 percent in the District of Columbia, compared with 4.2 percent in the Washington, D.C. metropolitan area as a whole.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: District of Columbia

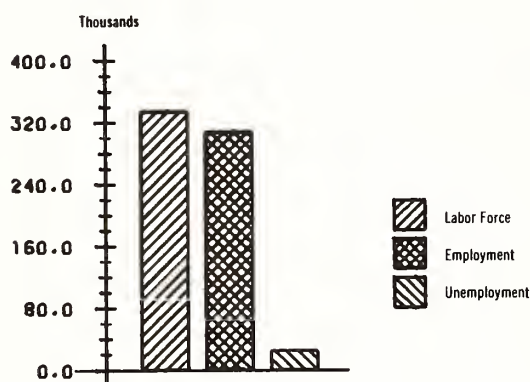


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

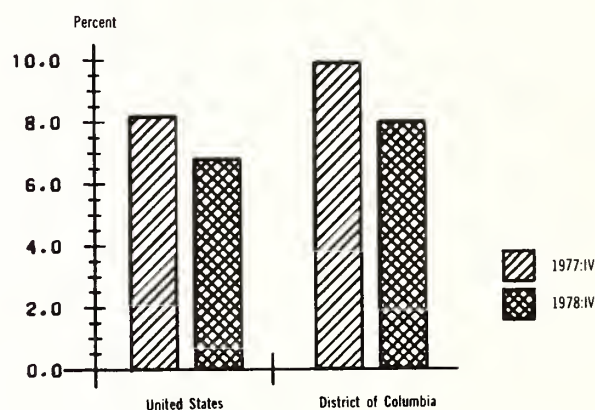


TABLE 4.—Labor Force, United States and District of Columbia Through Fourth Quarter, 1978

| | United States | | | District of Columbia | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------------------|----------|---------|-----------------------------|-------|---------------------|--------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 585 | 579 | 586 | 587 | 4.3 | .2 | 4.2 | 1.3 |
| Mining and services | 16,326 | 17,114 | 150 | 153 | 151 | 158 | — — — | .3 | — — — | 3.6 |
| Construction | 4,032 | 4,488 | 15 | 15 | 16 | 15 | 10.4 | 4.0 | 11.3 | 4.1 |
| Manufacturing | 19,986 | 20,722 | 15 | 15 | 15 | 15 | 3.1 | 1.4 | 3.7 | 1.3 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 26 | 26 | 26 | 26 | 3.8 | 1.2 | 4.4 | .8 |
| Wholesale and retail trade | 19,152 | 20,015 | 64 | 66 | 66 | 66 | 5.3 | 2.2 | 4.5 | 1.2 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 33 | 33 | 33 | 33 | 4.8 | — 6 | — 2.0 | .0 |
| Government | 15,434 | 15,656 | 282 | 272 | 280 | 273 | 2.1 | — 6 | 1.4 | .1 |
| Civilian labor force ³ | 98,591 | 101,615 | 331 | 328 | 335 | 335 | 3.2 | 1.3 | 3.1 | 2.3 |
| Total employed | 92,442 | 96,010 | 298 | 298 | 304 | 309 | 4.1 | 2.0 | 3.9 | 3.6 |
| Total unemployed | 6,149 | 5,605 | 33 | 29 | 31 | 26 | — 9.8 | — 5.0 | — 8.8 | — 10.9 |
| Percent unemployed | 6.2 | 5.5 | 10.0 | 8.9 | 9.4 | 7.8 | — — — | — — — | — — — | — — — |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

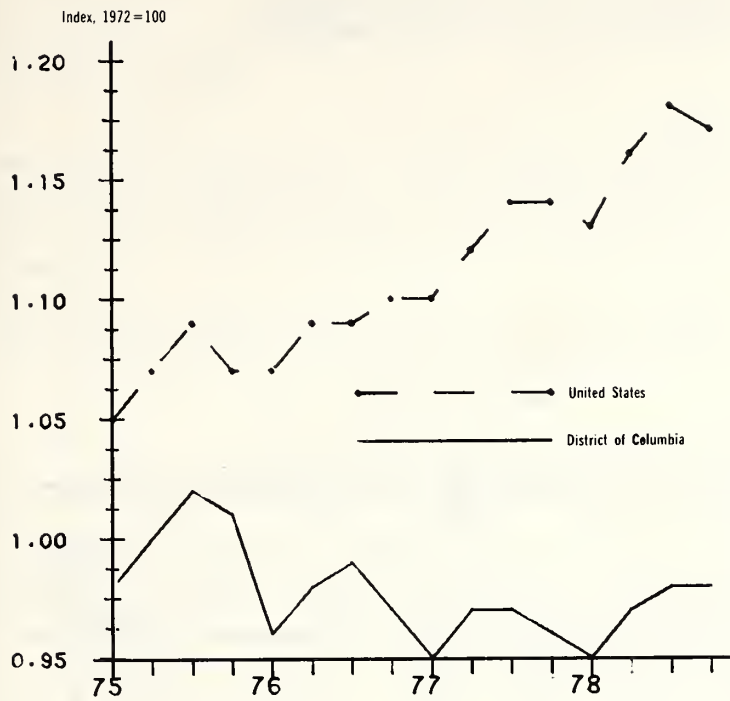


Chart 8.—Civilian Employment

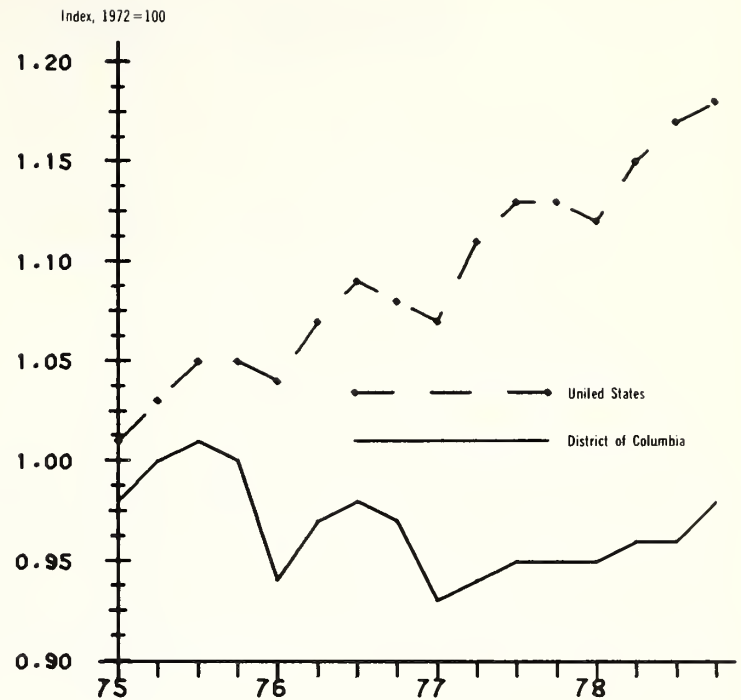


Chart 9.—Unemployment Rate

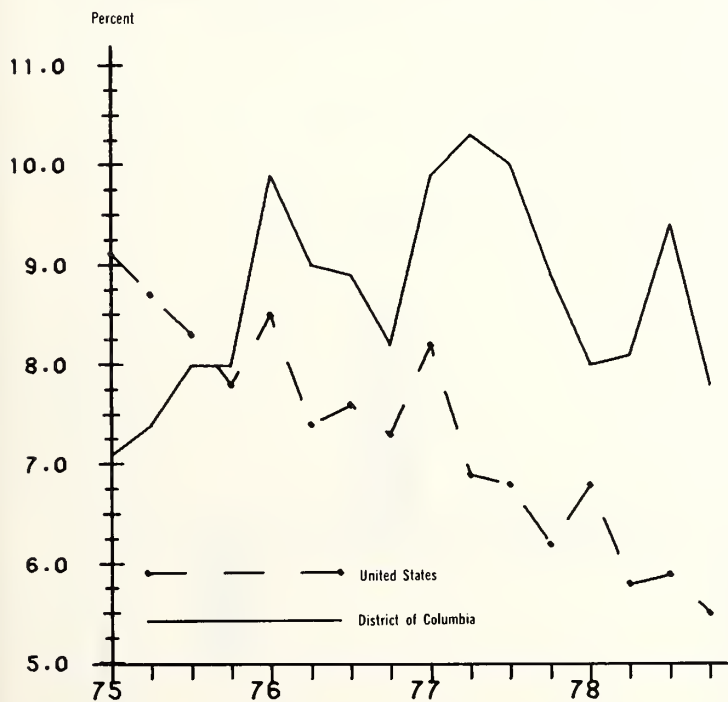
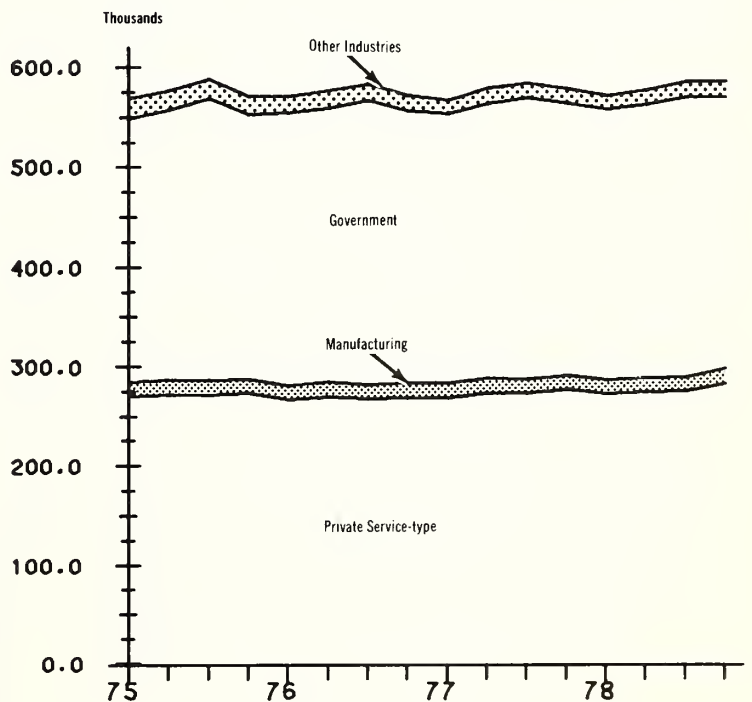


Chart 10.—Industrial Composition of Nonagricultural Employment: District of Columbia



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and District of Columbia Through Fourth Quarter, 1978

| | United States | | | District of Columbia | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|----------------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 2,675 | 2,828 | 3,319 | n.a. | 16.3 | 24.0 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 584 | 665 | 895 | n.a. | 14.2 | 53.2 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 560 | 600 | 684 | n.a. | 20.2 | 22.2 | --- | --- |
| Real estate | 177,935 | n.a. | 951 | 1,016 | 1,165 | n.a. | 19.9 | 22.6 | --- | --- |
| Residential | 101,236 | n.a. | 552 | 591 | 643 | n.a. | 21.3 | 16.4 | --- | --- |
| Farms | 7,731 | n.a. | 1 | 1 | 2 | n.a. | 10.7 | 43.4 | --- | --- |
| Other | 68,968 | n.a. | 397 | 424 | 520 | n.a. | 19.0 | 31.1 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 1 | 1 | 1 | n.a. | 6.8 | 28.8 | --- | --- |
| Other | 69,947 | n.a. | 580 | 546 | 573 | n.a. | 8.0 | -1.2 | --- | --- |
| Total deposits | 925,511 | n.a. | 4,101 | 4,392 | 4,682 | n.a. | 11.5 | 14.2 | --- | --- |
| Demand | 377,683 | n.a. | 2,114 | 2,334 | 2,338 | n.a. | 10.2 | 10.6 | --- | --- |
| Time and savings | 547,828 | n.a. | 1,987 | 2,058 | 2,344 | n.a. | 12.3 | 18.0 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in the District of Columbia declined by more than one-half from 1977:IV to 1978:IV, to \$111.7 million (table 6). The decline was in sharp contrast to the Nation's 16.8-percent average gain and was exceeded only by the decline in North Dakota. Two large contracts in 1977:IV—a \$35 million hotel and a \$70 million subway project—raised the District's total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If both projects are excluded, the total valuation of contracts would have changed only slightly.

Despite a substantial gain in the valuation of street and highway contracts (from \$480,000 in 1977:IV to \$3.9 million in 1978:IV), the valuation of all nonbuilding contracts declined to only one-fifth of the 1977:IV level. The 1977:IV level had been unusually high because of the subway contract. Nationally, nonbuilding contracts rose 22.2 percent in valuation.

The valuation of residential nonhousekeeping contracts was \$35.4 million in 1977:IV, including the hotel contract; in 1978:IV, the valuation was only \$313,000.

Nonresidential contracts declined 55.2 percent in valuation, the largest decline in the Nation, compared with a 15.8-percent national gain. In 1977:IV, the valuation of nonresidential contracts had been unusually high in the District, partly because of a \$20 million contract for the construction of an office building.

Contracts for additions and alterations to residential housekeeping units rose 12.6 percent in valuation, lagging the Nation's gain by 2 percentage points, to \$25.7 million.

The valuation of residential housekeeping contracts rose 247.3 percent, the largest gain in the Nation and well above the national average gain of 15.6 percent. The number of dwelling units started rose from 177 in 1977:IV to 661 in 1978:IV; the gain of 273.4 percent was the largest in the Nation. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

Index, 1976=100

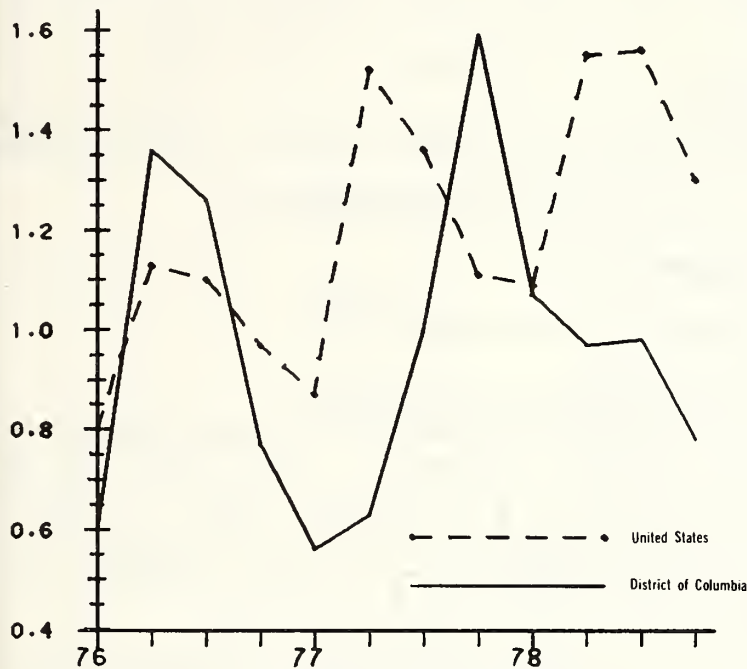


Chart 15.—Construction Contracts—Valuation of Contracts by Type: District of Columbia

Million \$

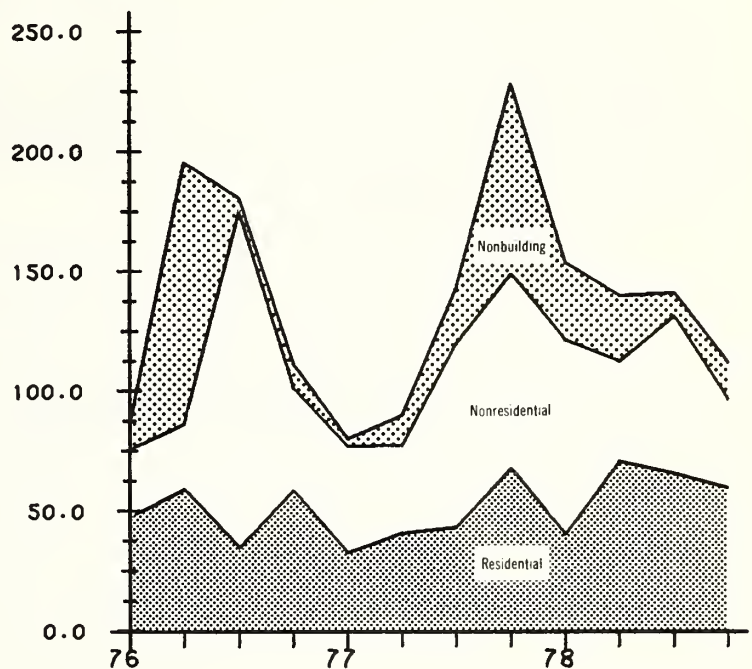


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

Percent

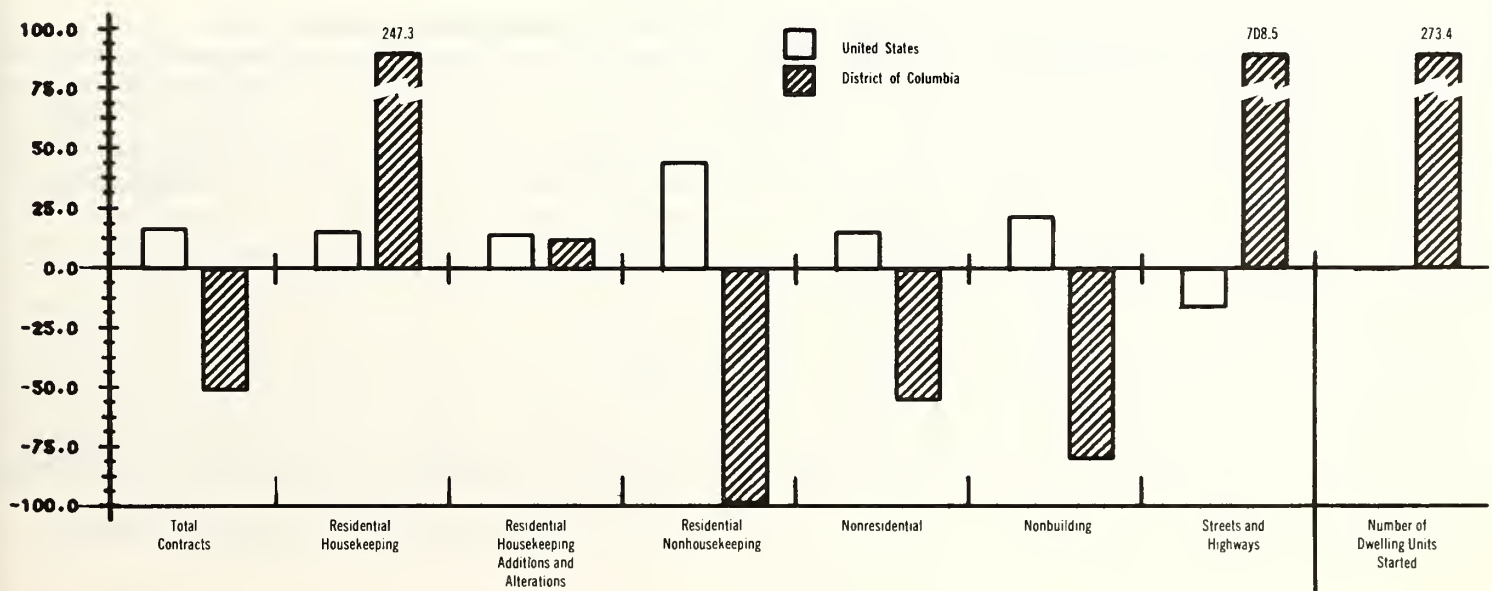


TABLE 6.—Construction Contracts, United States and District of Columbia Through Fourth Quarter, 1978¹

| | United States | | | District of Columbia | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|----------------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 143,314 | 228,096 | 141,100 | 111,680 | 14.5 | -1.5 | 16.8 | -51.0 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars)..... | 7,707,987 | 8,832,353 | 20,203 | 22,866 | 26,410 | 25,736 | 16.8 | 30.7 | 14.6 | 12.6 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 125 | 126 | 128 | 130 | 4.4 | 2.4 | -9.3 | 3.2 |
| Valuation (thousands of dollars)..... | 31,205,124 | 36,627,420 | 123,111 | 205,230 | 114,690 | 85,944 | 14.0 | -6.8 | 17.4 | -58.1 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 1,981 | 2,095 | 1,755 | 1,091 | 10.8 | -11.4 | 10.2 | -47.9 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 24 | 13 | 29 | 26 | -5.1 | 20.8 | -4.3 | 100.0 |
| Number of dwelling units | 445,772 | 443,075 | 552 | 177 | 462 | 661 | 1.0 | -16.3 | -6 | 273.4 |
| Valuation (thousands of dollars)..... | 14,879,596 | 17,198,518 | 17,889 | 9,734 | 24,530 | 33,810 | 15.3 | 37.1 | 15.6 | 247.3 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 639 | 271 | 519 | 540 | 10.3 | -18.8 | 10.7 | 99.2 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 4 | 5 | 7 | 4 | -10.0 | 75.0 | -4 | -20.0 |
| Valuation (thousands of dollars)..... | 338,637 | 490,279 | 5,600 | 35,417 | 14,870 | 313 | 9.4 | 165.5 | 44.8 | -99.1 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 179 | 700 | 217 | 0 | -7 | 21.2 | 24.7 | --- |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 74 | 86 | 46 | 64 | -2.5 | -37.8 | -12.0 | -25.6 |
| Valuation (thousands of dollars)..... | 9,334,415 | 10,810,769 | 76,297 | 81,375 | 65,744 | 36,473 | 27.6 | -13.8 | 15.8 | -55.2 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 1,163 | 1,124 | 1,020 | 551 | 12.2 | -12.3 | 8.9 | -51.0 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 23 | 22 | 46 | 36 | 22.4 | 100.0 | -9.1 | 63.6 |
| Valuation (thousands of dollars)..... | 6,652,476 | 8,127,854 | 23,325 | 78,704 | 9,546 | 15,348 | -1 | -59.1 | 22.2 | -80.5 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 6 | 4 | 14 | 9 | 9.3 | 133.3 | -17.8 | 125.0 |
| Valuation (thousands of dollars)..... | 2,308,681 | 1,931,341 | 2,701 | 480 | 3,538 | 3,881 | 3.0 | 31.0 | -16.3 | 708.5 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for the District of Columbia are not available.

TABLE 7.—Retail Sales, United States and District of Columbia Through Fourth Quarter, 1978

| | United States | | | District of Columbia | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|----------------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and District of Columbia Through Fourth Quarter, 1978

| | United States | | | District of Columbia | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|----------------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 542 | 577 | 183 | n.a. | 8.2 | -66.2 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 0 | 0 | 0 | n.a. | -9.5 | --- | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 0 | 0 | 0 | n.a. | -44.2 | --- | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 0 | 0 | 0 | n.a. | -38.4 | --- | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 0 | 0 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 0 | 0 | 0 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 0 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 0 | 0 | 0 | n.a. | -4.2 | --- | --- | --- |
| Commercial services | 238 | n.a. | 0 | 0 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 14.0% vs. 12.6% in U.S., to \$67.4 billion
- Payrolls up 20.5% in durables manufacturing vs. 15.2% in U.S.
- Payrolls up 14.0% in services vs. 12.7% in U.S.

Employment

- Up 3.8% vs. 3.9% in U.S., to 3.5 million

Unemployment

- Down 24,000, to 245,000
- Rate down to 6.5% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 29.1% vs. 16.8% in U.S., to \$2.6 billion
- Number of dwelling-unit starts up 35.8% vs. near stability in U.S., to 40,298

Retail sales

- Up 14.2% vs. 11.2% in U.S., to almost \$9.9 billion

TABLE 1.—Summary of Economic Indicators, United States and Florida Through Fourth Quarter, 1978

| | United States | | | Florida | | | U.S. | State | U.S. | State |
|--|---------------|------------|-----------|-----------|-----------|-----------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| All indicators, except income, not seasonally adjusted | | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 57,442 | 59,181 | 65,739 | 67,448 | 12.4 | 14.4 | 12.6 | 14.0 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 32,210 | 33,163 | 36,697 | 37,768 | 12.1 | 13.9 | 12.6 | 13.9 |
| Civilian employment (thousands) | 92,442 | 96,010 | 3,283 | 3,369 | 3,518 | 3,498 | 4.1 | 7.2 | 3.9 | 3.8 |
| Unemployment (thousands) | 6,149 | 5,605 | 268 | 269 | 265 | 245 | -9.8 | -1.2 | -8.8 | -9.0 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 7.6 | 7.4 | 7.0 | 6.5 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 14,790 | 15,648 | 17,563 | n.a. | 16.3 | 18.7 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 27,295 | 29,702 | 30,549 | n.a. | 11.5 | 11.9 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 1,858,866 | 2,000,696 | 2,635,455 | 2,582,028 | 14.5 | 41.8 | 16.8 | 29.1 |
| Dwelling units started (number) | 445,772 | 443,075 | 29,245 | 29,670 | 41,032 | 40,298 | 1.0 | 40.3 | -6 | 35.8 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 7,672 | 8,664 | 8,661 | 9,890 | 10.3 | 12.9 | 11.2 | 14.2 |
| New business incorporations (number) | 109,411 | n.a. | 9,090 | 8,933 | 10,174 | n.a. | 8.2 | 11.9 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 35 | 38 | 21 | n.a. | -9.5 | -40.0 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

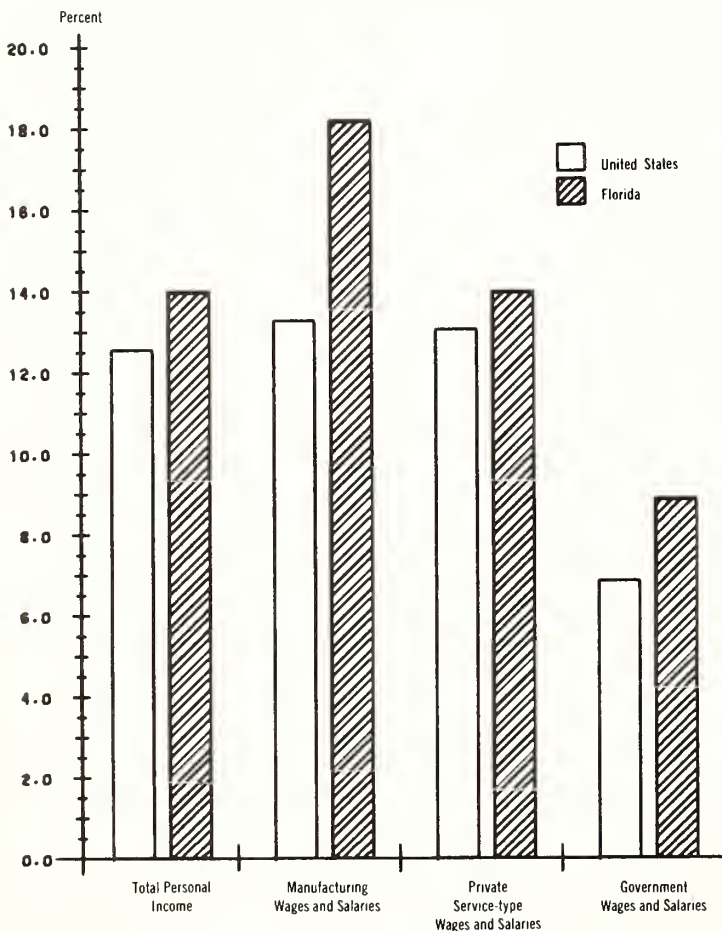
Personal Income

Total personal income (seasonally adjusted at annual rates) increased 14.0 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, Florida's personal income totaled \$67.4 billion, up \$8.3 billion since 1977:IV.

Florida's nonfarm personal income increased 13.6 percent from year to year, 1.3 percentage points more than nationally. In contrast, since the last national business cycle peak in 1973:IV, the State's economy has grown at the national rate of gain. Florida's increase from 1973:IV to 1978:IV ranked 33rd in the Nation.

Wage and salary disbursements (payrolls) in the State increased 13.9 percent from 1977:IV to 1978:IV, compared with 12.6 percent nationally. In 1978:IV, they totaled \$37.8 billion, up \$4.6 billion since 1977:IV.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Within Florida's private service-type industry group, payrolls increased more slowly than nationally only in transportation-communication-public utilities—7.7 percent versus 11.3 percent. Florida's increase ranked 44th in the Nation. In finance-insurance-real estate, for which Florida is a major center in the South, payrolls increased 19.3 percent from year to year, the fifth largest increase in the Nation. The national increase was 13.2 percent. Payrolls in trade increased 14.8 percent in the State versus 14.1 percent nationally. Services payrolls, which accounted for almost one-fifth of Florida's total payrolls in 1978:IV, increased 14.0 percent versus 12.7 percent nationally.

Both State and local government and Federal Government payrolls increased faster in Florida than nationally; the former increased 9.3 percent versus 6.8 percent nationally, and the latter increased 8.1 percent versus 7.1 percent nationally.

Manufacturing payrolls also increased faster in the State than nationally. Durables manufacturing payrolls increased 20.5 percent statewide versus 15.2 percent nationally, and nondurables manufacturing payrolls increased 15.1 percent versus 10.0 percent. Florida's increases were among the largest in the Nation.

Payrolls in construction increased 21.1 percent from year to year, 1.0 percentage point more than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 36.0 percent versus a 30.3-percent decline nationally.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

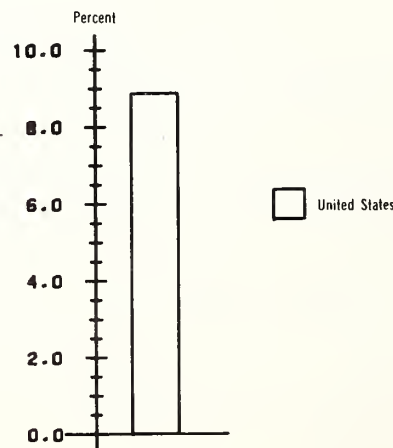


Chart 3.—Total Personal Income
[Seasonally adjusted]

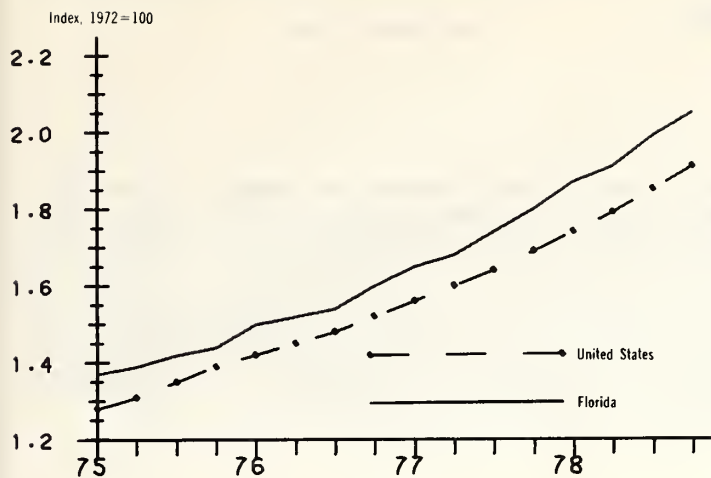


Chart 4.—Industrial Composition of Wages and Salaries: Florida
[Seasonally adjusted]

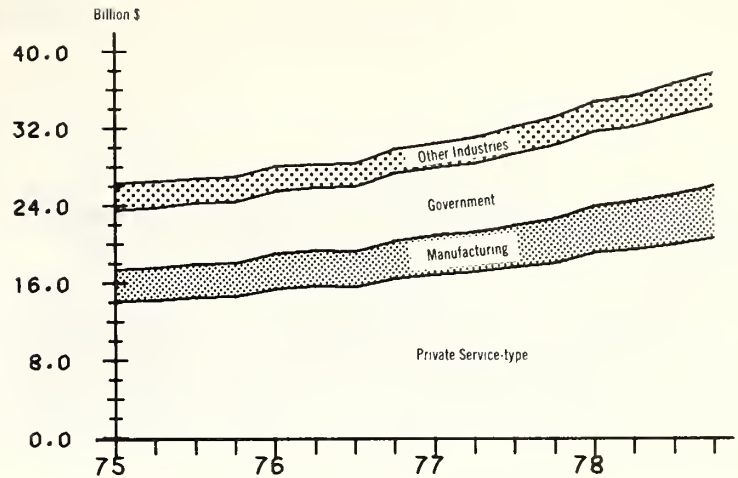


TABLE 2.—Personal Income, United States and Florida Through Fourth Quarter, 1978

| | United States | | | Florida | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------|----------|---------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 57,442 | 59,181 | 65,739 | 67,448 | 12.4 | 14.4 | 12.6 | 14.0 |
| Farm personal income | 31,224 | 39,451 | 818 | 1,037 | 1,536 | 1,384 | 47.9 | 87.8 | 26.3 | 33.5 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 56,624 | 58,144 | 64,203 | 66,063 | 11.9 | 13.4 | 12.3 | 13.6 |
| Total personal income | 1,583,508 | 1,782,519 | 57,442 | 59,181 | 65,739 | 67,448 | 12.4 | 14.4 | 12.6 | 14.0 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 32,210 | 33,163 | 36,697 | 37,768 | 12.1 | 13.9 | 12.6 | 13.9 |
| Other labor income | 96,016 | 111,719 | 2,846 | 2,970 | 3,363 | 3,485 | 17.0 | 18.2 | 16.4 | 17.3 |
| Proprietors' income | 105,953 | 125,995 | 3,045 | 3,302 | 4,068 | 4,003 | 21.5 | 33.6 | 18.9 | 21.2 |
| Farm | 23,636 | 31,044 | 404 | 608 | 1,080 | 906 | 66.6 | 167.3 | 31.3 | 49.0 |
| Nonfarm | 82,317 | 94,951 | 2,641 | 2,694 | 2,988 | 3,097 | 12.8 | 13.1 | 15.3 | 15.0 |
| Dividends, interest, and rent | 214,992 | 242,442 | 10,922 | 11,212 | 12,440 | 12,859 | 12.3 | 13.9 | 12.8 | 14.7 |
| Transfer payments | 215,944 | 233,750 | 10,269 | 10,426 | 11,325 | 11,537 | 8.8 | 10.3 | 8.2 | 10.7 |
| State unemployment insurance benefits | 11,128 | 7,753 | 246 | 176 | 119 | 112 | -24.0 | -51.7 | -30.3 | -36.0 |
| Less: personal contributions | 62,212 | 71,610 | 1,818 | 1,859 | 2,116 | 2,164 | 14.8 | 16.4 | 15.1 | 16.4 |
| Plus: residence adjustment | -401 | -473 | -32 | -33 | -38 | -40 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 32,210 | 33,163 | 36,697 | 37,768 | 12.1 | 13.9 | 12.6 | 13.9 |
| Farm | 7,176 | 7,939 | 373 | 387 | 411 | 431 | 8.5 | 10.1 | 10.6 | 11.2 |
| Nonfarm | 1,006,040 | 1,132,757 | 31,837 | 32,776 | 36,286 | 37,338 | 12.1 | 14.0 | 12.6 | 13.9 |
| Mining | 14,048 | 18,813 | 120 | 116 | 143 | 147 | 26.5 | 19.2 | 33.9 | 27.6 |
| Construction | 55,648 | 66,858 | 2,097 | 2,147 | 2,569 | 2,601 | 19.1 | 22.5 | 20.1 | 21.1 |
| Manufacturing | 276,112 | 312,970 | 4,385 | 4,585 | 5,196 | 5,417 | 12.1 | 18.5 | 13.3 | 18.2 |
| Durable goods | 176,216 | 203,053 | 2,431 | 2,605 | 2,942 | 3,139 | 13.7 | 21.0 | 15.2 | 20.5 |
| Nondurable goods | 99,896 | 109,917 | 1,954 | 1,980 | 2,254 | 2,278 | 9.4 | 15.4 | 10.0 | 15.1 |
| Private service-type | 455,764 | 515,348 | 17,656 | 18,147 | 19,978 | 20,681 | 12.8 | 13.2 | 13.1 | 14.0 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 2,793 | 2,843 | 2,923 | 3,063 | 10.4 | 4.7 | 11.3 | 7.7 |
| Wholesale and retail trade | 170,888 | 195,035 | 6,545 | 6,709 | 7,471 | 7,699 | 13.6 | 14.1 | 14.1 | 14.8 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 2,192 | 2,269 | 2,586 | 2,707 | 14.1 | 18.0 | 13.2 | 19.3 |
| Services | 153,840 | 173,396 | 6,125 | 6,325 | 6,998 | 7,212 | 12.6 | 14.2 | 12.7 | 14.0 |
| Government | 201,252 | 215,083 | 7,327 | 7,520 | 8,097 | 8,190 | 7.4 | 10.5 | 6.9 | 8.9 |
| Federal | 68,176 | 73,003 | 2,359 | 2,526 | 2,594 | 2,731 | 7.3 | 10.0 | 7.1 | 8.1 |
| State and local | 133,076 | 142,080 | 4,968 | 4,994 | 5,503 | 5,459 | 7.5 | 10.8 | 6.8 | 9.3 |
| Other | 3,216 | 3,685 | 253 | 261 | 303 | 301 | 18.7 | 19.8 | 14.6 | 15.1 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Florida Through Fourth Quarter, 1978¹

| | United States | | | Florida | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Index, 1967=100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Florida's **civilian labor force** increased 2.9 percent versus 3.1 percent nationally (table 4). **Total employment** increased 3.8 percent versus 3.9 percent nationally, to 3.5 million.

With employment increasing by 129,000 and the labor force increasing by 105,000, the number of **unemployed** declined by 24,000, to 245,000. Even though Florida's **unemployment rate** declined 0.9 percentage point from year to year, its 6.5-percent unemployment rate in 1978:IV ranked sixth highest in the Nation. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among Florida's major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 6.4 percent, ranged from 6.6 percent in West Palm Beach-Boca Raton to 5.6 percent in Jacksonville. In Miami and Tampa-St. Petersburg, the State's two largest metropolitan areas, the preliminary unemployment rates were 6.5 percent and 5.9 percent, respectively. In Pensacola, the preliminary rate was 6.2 percent, up 0.8 percentage point since December 1977; Pensacola was the only major metropolitan area in the State to register a year-to-year increase in the unemployment rate.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Florida

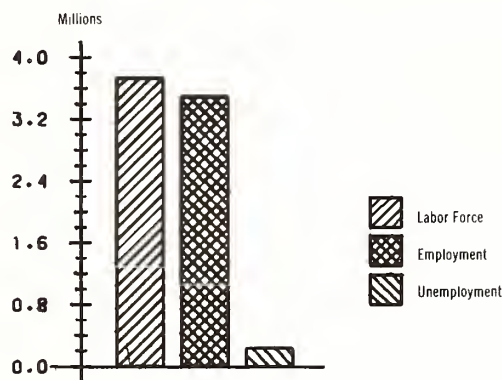


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

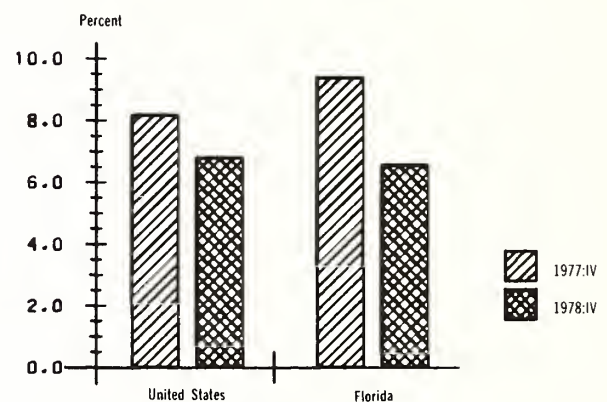


TABLE 4.—Labor Force, United States and Florida Through Fourth Quarter, 1978

| | United States | | | Florida | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 2,830 | 2,925 | 2,972 | 3,060 | 4.3 | 5.0 | 4.2 | 4.6 |
| Mining | 787 | 899 | 9 | 9 | 9 | 9 | 8.2 | 1.1 | 14.2 | 3.5 |
| Construction | 4,032 | 4,488 | 177 | 180 | 208 | 208 | 10.4 | 17.2 | 11.3 | 15.3 |
| Manufacturing | 19,986 | 20,722 | 373 | 384 | 401 | 417 | 3.1 | 7.4 | 3.7 | 8.7 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 185 | 186 | 182 | 188 | 3.8 | -1.3 | 4.4 | 1.2 |
| Wholesale and retail trade | 19,152 | 20,015 | 735 | 764 | 763 | 787 | 5.3 | 3.9 | 4.5 | 3.0 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 201 | 201 | 211 | 214 | 4.8 | 4.9 | -2.0 | 6.7 |
| Services | 15,539 | 16,215 | 612 | 636 | 650 | 662 | 4.6 | 6.2 | 4.4 | 4.2 |
| Government | 15,434 | 15,656 | 539 | 566 | 549 | 575 | 2.1 | 1.9 | 1.4 | 1.6 |
| Civilian labor force ³ | 98,591 | 101,615 | 3,551 | 3,638 | 3,783 | 3,743 | 3.2 | 6.5 | 3.1 | 2.9 |
| Total employed | 92,442 | 96,010 | 3,283 | 3,369 | 3,518 | 3,498 | 4.1 | 7.2 | 3.9 | 3.8 |
| Total unemployed | 6,149 | 5,605 | 268 | 269 | 265 | 245 | -9.8 | -1.2 | -8.8 | -9.0 |
| Percent unemployed | 6.2 | 5.5 | 7.6 | 7.4 | 7.0 | 6.5 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

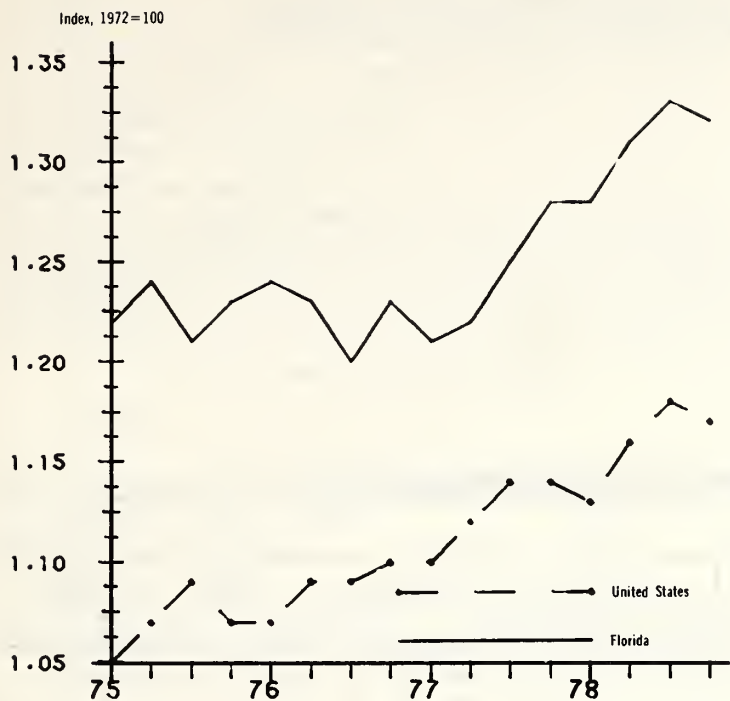


Chart 8.—Civilian Employment

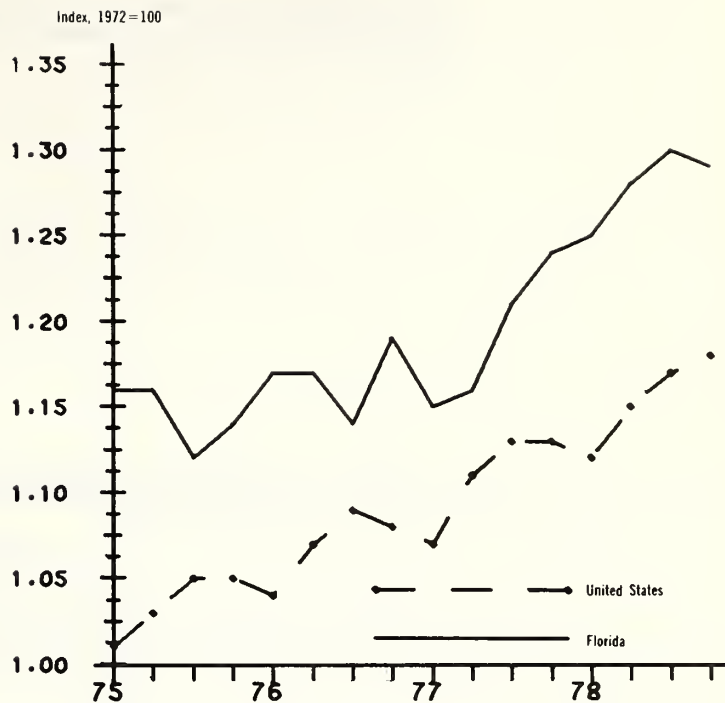


Chart 9.—Unemployment Rate

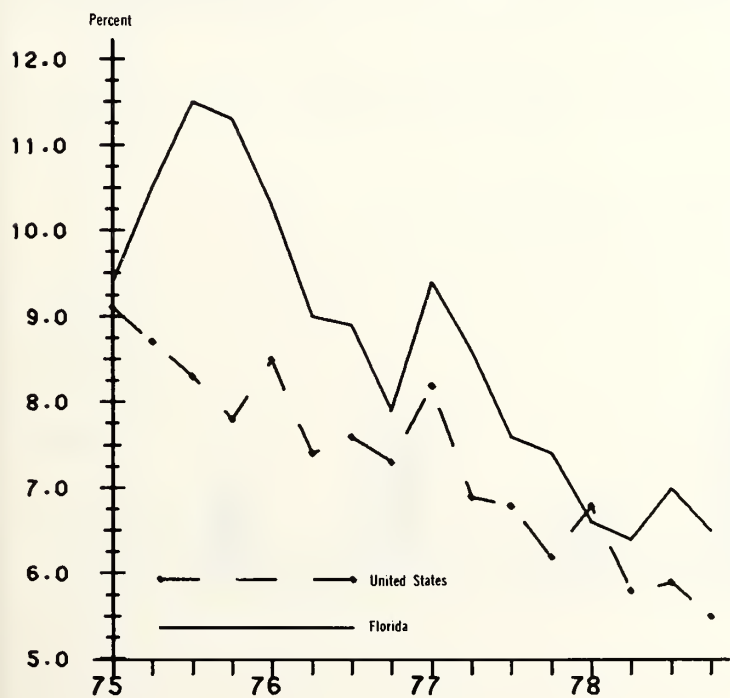
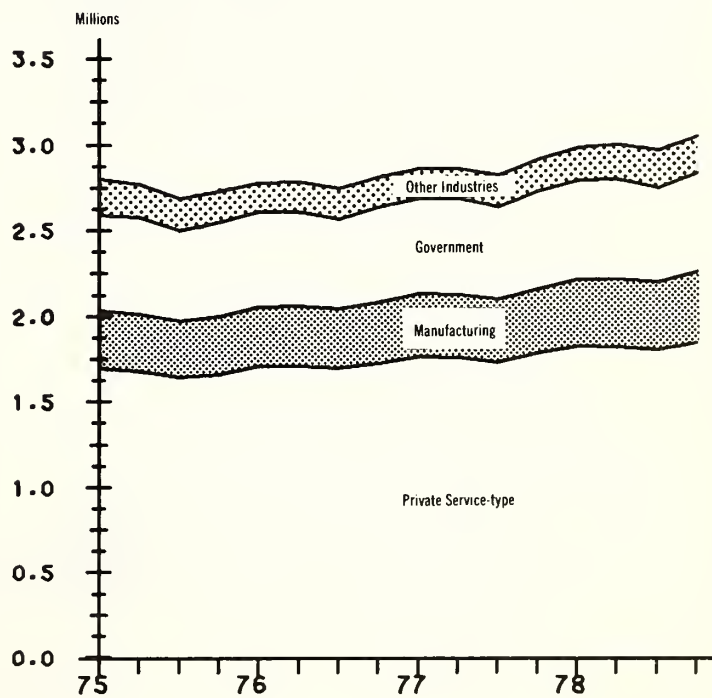


Chart 10.—Industrial Composition of Nonagricultural Employment: Florida



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Florida Through Fourth Quarter, 1978

| | United States | | | Florida | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 14,790 | 15,648 | 17,563 | n.a. | 16.3 | 18.7 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 3,487 | 3,715 | 3,891 | n.a. | 14.2 | 11.6 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 4,997 | 5,253 | 6,050 | n.a. | 20.2 | 21.1 | --- | --- |
| Real estate | 177,935 | n.a. | 5,479 | 5,755 | 6,695 | n.a. | 19.9 | 22.2 | --- | --- |
| Residential | 101,236 | n.a. | 2,454 | 2,581 | 3,120 | n.a. | 21.3 | 27.2 | --- | --- |
| Farms | 7,731 | n.a. | 140 | 148 | 150 | n.a. | 10.7 | 7.2 | --- | --- |
| Other | 68,968 | n.a. | 2,885 | 3,025 | 3,424 | n.a. | 19.0 | 18.7 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 155 | 168 | 148 | n.a. | 6.8 | -5.0 | --- | --- |
| Other | 69,947 | n.a. | 672 | 758 | 780 | n.a. | 8.0 | 16.0 | --- | --- |
| Total deposits | 925,511 | n.a. | 27,295 | 29,702 | 30,549 | n.a. | 11.5 | 11.9 | --- | --- |
| Demand | 377,683 | n.a. | 10,668 | 12,347 | 12,430 | n.a. | 10.2 | 16.5 | --- | --- |
| Time and savings | 547,828 | n.a. | 16,627 | 17,355 | 18,119 | n.a. | 12.3 | 9.0 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 29.1 percent (\$581.3 million), to \$2.6 billion (table 6). Florida's increase ranked tenth in the Nation and compared with a national increase of 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the real increase in the total valuation of contracts in Florida was about 16 percent versus about 4 percent nationally.

Residential housekeeping contracts increased 47.6 percent in valuation, compared with 15.6 percent nationally. Florida's increase ranked fifth in the Nation. In 1978:IV, a \$102 million contract for the construction of one-family houses in Lee County raised the valuation of residential housekeeping contracts in the State to an unusually high level, thereby distorting the year-to-year change. If the contract is excluded, the

valuation of residential housekeeping contracts would have increased 36.0 percent. The number of dwelling units started increased 35.8 percent, the third largest increase after West Virginia's and Hawaii's. In 1978:IV, 40,298 dwelling units were started, up 10,628 units since 1977:IV. In contrast, the number of dwelling units started in the Nation remained almost unchanged at a high level. Residential housekeeping additions and alterations in Florida increased 20.2 percent in valuation, compared with 14.6 percent nationally.

Nonresidential contracts increased 17.0 percent in valuation, compared with 15.8 percent nationally. Nonbuilding contracts, in contrast, declined 6.2 percent in valuation, compared with a 22.2-percent national increase. Street and highway contracts, a component of nonbuilding contracts, declined 40.2 percent in valuation versus a 16.3-percent decline nationally.

Chart 14.—Construction Contracts—Total Valuation

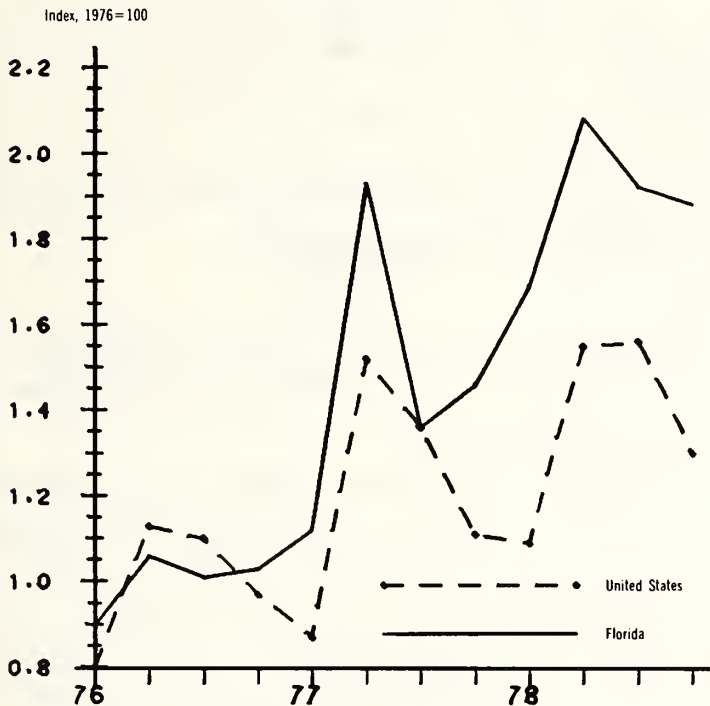


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Florida

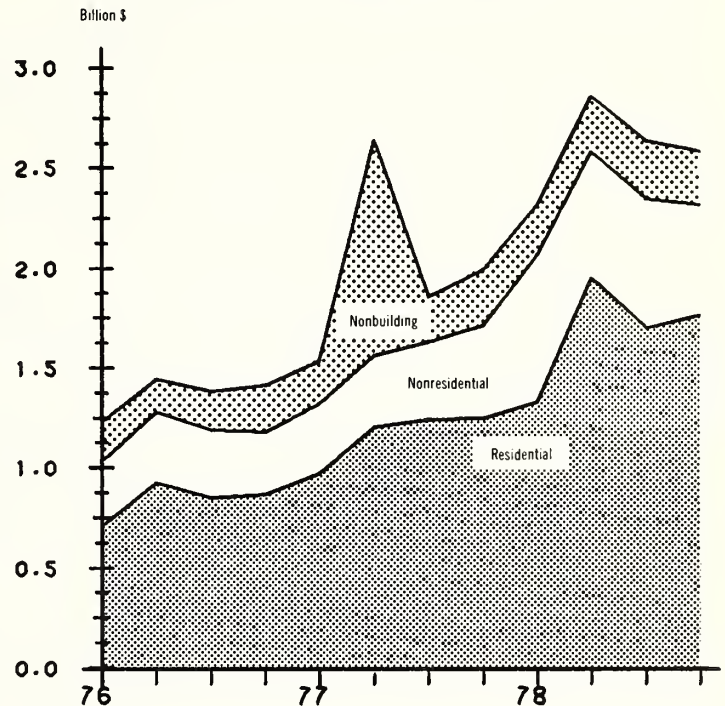


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

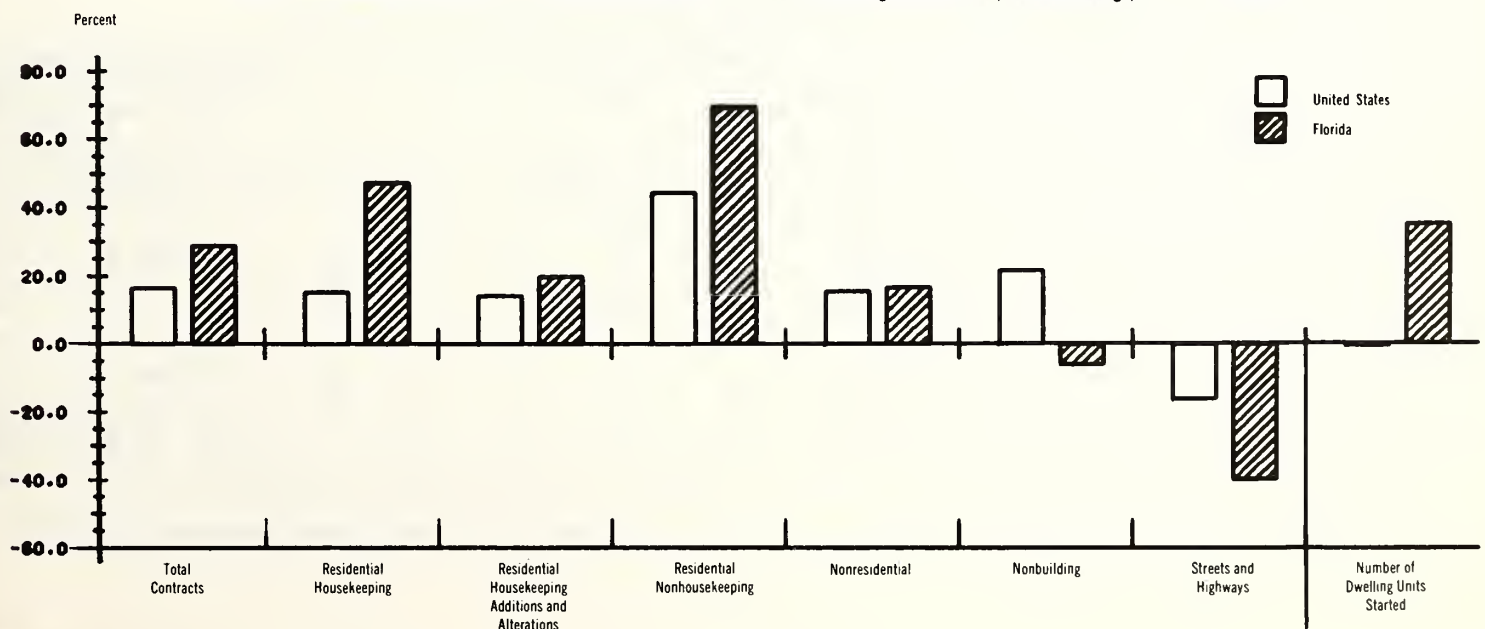


TABLE 6.—Construction Contracts, United States and Florida Through Fourth Quarter, 1978¹

| | United States | | | Florida | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|-----------|-----------|-----------|-----------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 1,858,866 | 2,000,696 | 2,635,455 | 2,582,028 | 14.5 | 41.8 | 16.8 | 29.1 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 287,359 | 288,703 | 362,747 | 347,094 | 16.8 | 26.2 | 14.6 | 20.2 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 3,912 | 4,114 | 3,850 | 3,552 | 4.4 | -1.6 | -9.3 | -13.7 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 1,571,507 | 1,711,993 | 2,272,708 | 2,234,934 | 14.0 | 44.6 | 17.4 | 30.5 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 56,782 | 56,398 | 74,160 | 78,511 | 10.8 | 30.6 | 10.2 | 39.2 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 742 | 748 | 815 | 808 | -5.1 | 9.8 | -4.3 | 8.0 |
| Number of dwelling units | 445,772 | 443,075 | 29,245 | 29,670 | 41,032 | 40,298 | 1.0 | 40.3 | -6 | 35.8 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 942,277 | 951,974 | 1,323,740 | 1,405,236 | 15.3 | 40.5 | 15.6 | 47.6 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 39,917 | 39,733 | 54,559 | 57,474 | 10.3 | 36.7 | 10.7 | 44.7 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 49 | 55 | 43 | 49 | -10.0 | -12.2 | -4 | -10.9 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 16,981 | 10,838 | 18,878 | 18,400 | 9.4 | 11.2 | 44.8 | 69.8 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 639 | 362 | 597 | 491 | -7 | -6.6 | 24.7 | 35.8 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 2,500 | 2,544 | 2,114 | 2,056 | -2.5 | -15.4 | -12.0 | -19.2 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 391,134 | 468,027 | 641,275 | 547,588 | 27.6 | 64.0 | 15.8 | 17.0 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 16,226 | 16,303 | 19,004 | 20,546 | 12.2 | 17.1 | 8.9 | 26.0 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 621 | 767 | 878 | 639 | 22.4 | 41.4 | -9.1 | -16.7 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 221,115 | 281,154 | 288,815 | 263,710 | -1 | 30.6 | 22.2 | -6.2 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 165 | 235 | 249 | 205 | 9.3 | 50.9 | -17.8 | -12.8 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 94,504 | 151,827 | 93,033 | 90,822 | 3.0 | -1.6 | -16.3 | -40.2 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Florida totaled almost \$9.9 billion in 1978:IV, up 14.2 percent (\$1.2 billion) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for over \$6.3 billion, and durable goods accounted for over \$3.5 billion.

TABLE 7.—Retail Sales, United States and Florida Through Fourth Quarter, 1978

| | United States | | | Florida | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| Retail sales..... | 197,030 | 219,020 | 7,672 | 8,664 | 8,661 | 9,890 | 10.3 | 12.9 | 11.2 | 14.2 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 3,196 | 3,542 | 11.8 | ---- | 15.3 | ---- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | 5,465 | 6,348 | 9.6 | ---- | 9.2 | ---- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Florida Through Fourth Quarter, 1978

| | United States | | | Florida | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 9,090 | 8,933 | 10,174 | n.a. | 8.2 | 11.9 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 35 | 38 | 21 | n.a. | -9.5 | -40.0 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 12,128 | 6,443 | 3,785 | n.a. | -44.2 | -68.8 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 347 | 170 | 180 | n.a. | -38.4 | -48.1 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 2 | 9 | 3 | n.a. | -10.1 | 50.0 | --- | --- |
| Construction | 319 | n.a. | 2 | 5 | 5 | n.a. | 1.0 | 150.0 | --- | --- |
| Wholesale trade | 191 | n.a. | 6 | 7 | 2 | n.a. | -27.1 | -66.7 | --- | --- |
| Retail trade | 688 | n.a. | 23 | 13 | 9 | n.a. | -4.2 | -60.9 | --- | --- |
| Commercial services | 238 | n.a. | 2 | 4 | 2 | n.a. | -24.0 | .0 | --- | --- |

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

**1977:IV to 1978:IV**

| | |
|------------------------|--|
| Personal income | —Up 11.3% vs. 12.6% in U.S., to \$35.3 billion —Private service-type payrolls up 9.0% vs. 13.1% in U.S. |
| Consumer prices | —Up 7.8% in Atlanta vs. 8.9% in U.S. |
| Employment | —Up 3.3% vs. 3.9% in U.S., to 2.2 million |
| Unemployment | —Down 10,000, to 138,000 —Rate down to 5.9% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 10.1% vs. 16.8% in U.S., to \$1.0 billion —Valuation of nonbuilding contracts down 40.8% vs. 22.2% increase in U.S. —Number of dwelling-unit starts up 9.8% vs. near stability in U.S., to 10,941 |

TABLE 1.—Summary of Economic Indicators, United States and Georgia Through Fourth Quarter, 1978

| | United States | | | Georgia | | | U.S. | State | U.S. | State |
|--|--|------------|-----------|---------|-----------|-----------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 30,652 | 31,734 | 34,386 | 35,323 | 12.4 | 12.2 | 12.6 | 11.3 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 21,020 | 21,687 | 23,156 | 23,832 | 12.1 | 10.2 | 12.6 | 9.9 |
| Civilian employment (thousands) | 92,442 | 96,010 | 2,131 | 2,141 | 2,204 | 2,212 | 4.1 | 3.5 | 3.9 | 3.3 |
| Unemployment (thousands) | 6,149 | 5,605 | 161 | 148 | 144 | 138 | -9.8 | -10.6 | -8.8 | -6.7 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 7.0 | 6.5 | 6.1 | 5.9 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 9,923 | 10,132 | 10,791 | n.a. | 16.3 | 8.7 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 13,722 | 14,583 | 15,216 | n.a. | 11.5 | 10.9 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 3,231,700 | 915,405 | 1,083,365 | 1,007,683 | 14.5 | -66.5 | 16.8 | 10.1 |
| Dwelling units started (number) | 445,772 | 443,075 | 13,059 | 9,963 | 12,574 | 10,941 | 1.0 | -3.7 | -6 | 9.8 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 2,495 | 2,563 | 2,778 | n.a. | 8.2 | 11.3 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 44 | 21 | 28 | n.a. | -9.5 | -36.4 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Atlanta | --- | --- | 183.0 | 184.5 | 195.2 | 198.8 | --- | 6.7 | --- | 7.8 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.3 percent from 1977:IV to 1978:IV, 1.3 percentage points less than nationally (table 2). In 1978:IV, the State's personal income totaled \$35.3 billion, up \$3.6 billion since 1977:IV.

Georgia's increase in personal income would have been smaller had it not been for a 62.7-percent increase in farm personal income, compared with a 26.3-percent national gain. Nonfarm personal income in the State increased only 10.4 percent from year to year, almost 2 percentage points less than nationally. Since the last national business cycle peak in 1973:IV, Georgia's economy has grown more slowly than the Nation's; the increase in the State's nonfarm income was 5 percent less than nationally, ranking Georgia 39th among all States.

From 1977:IV to 1978:IV, the **Consumer Price Index** for the Atlanta metropolitan area increased 7.8 percent versus an 8.9-percent national city average increase (table 3). If Atlanta's index is used as an indicator for price movements in the State, real total personal income in Georgia increased between 3 and 4 percent from year to year, the same as nationally.

Wage and salary disbursements (payrolls) increased only 9.9 percent in the State, compared with a 12.6-percent national increase. Georgia's increase ranked 48th in the Nation, ahead of smaller increases in New York and the District of Columbia and a fractional decline in Alaska. In 1978:IV, payrolls totaled \$23.8 billion in the State, up \$2.1 billion since 1977:IV.

All components of Georgia's private service-type industry group increased more slowly than nationally, with State increases in all four components ranking among the smallest in the Nation. Trade payrolls, which accounted for almost one-fifth of Georgia's total payrolls in 1978:IV, increased 9.8 percent from year to year, compared with a 14.1-percent national increase. Payrolls in transportation-communication-public utilities increased only 7.1 percent in the State versus 11.3 percent nationally. Services payrolls increased 8.7 percent versus 12.7 percent nationally, and payrolls in finance-insurance-real estate increased 9.9 percent versus 13.2 percent nationally.

Construction payrolls increased only 9.9 percent in Georgia, less than one-half of the national increase. Among all States, only Arkansas registered a smaller increase, and West Virginia and Alaska registered declines.

In government, Federal payrolls increased 4.2 percent in Georgia, one of the smallest increases in the Nation, compared with 7.1 percent nationally. In contrast, State and local government payrolls increased 8.4 percent in Georgia, 1.6 percentage points more than nationally.

In contrast to most of Georgia's major industries, manufacturing payrolls increased more rapidly in the State than nationally—14.3 percent versus 13.3 percent. Georgia's increase represented a gain of \$765 million, and this accounted for over one-third of the total year-to-year payroll gain in the State. Nondurables manufacturing payrolls increased 12.3 percent versus 10.0 percent nationally, and durables manufacturing payrolls increased 17.6 percent versus 15.2 percent nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 17.7 percent in Georgia versus a decline of 30.3 percent nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)

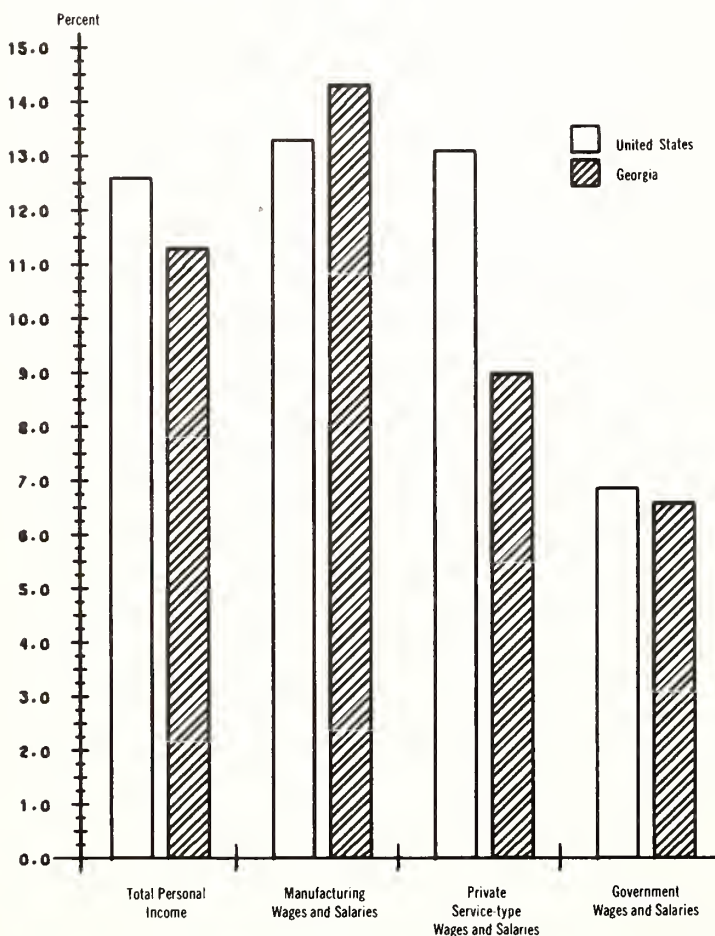


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

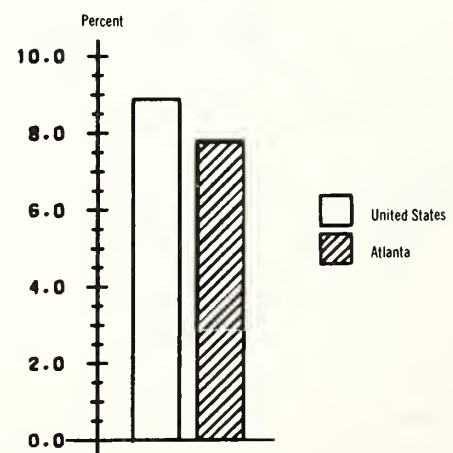


Chart 3.—Total Personal Income
[Seasonally adjusted]

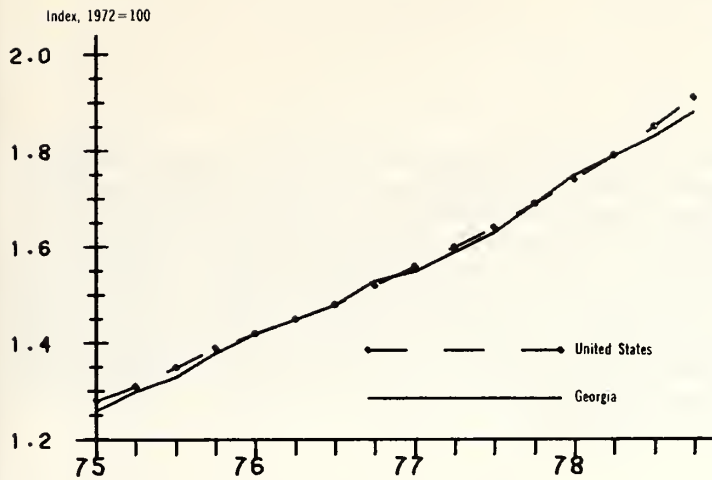


Chart 4.—Industrial Composition of Wages and Salaries: Georgia
[Seasonally adjusted]

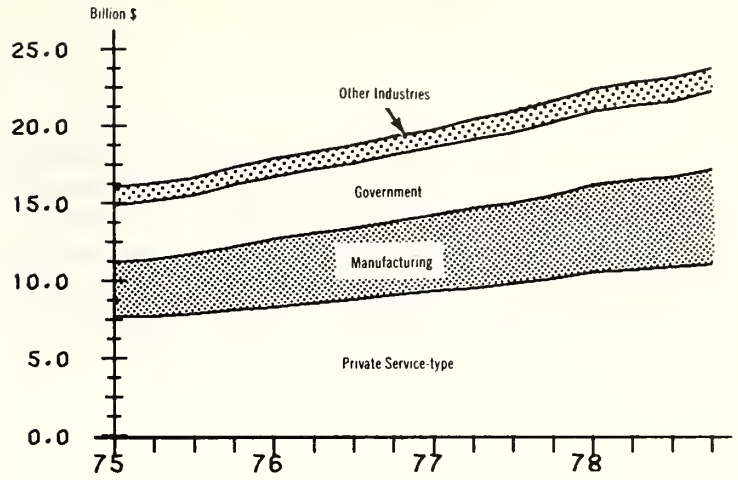


TABLE 2.—Personal Income, United States and Georgia Through Fourth Quarter, 1978

| | United States | | | Georgia | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 30,652 | 31,734 | 34,386 | 35,323 | 12.4 | 12.2 | 12.6 | 11.3 |
| Farm personal income..... | 31,224 | 39,451 | 312 | 529 | 856 | 860 | 47.9 | 174.1 | 26.3 | 62.7 |
| Nontarm personal income | 1,552,284 | 1,743,068 | 30,340 | 31,205 | 33,530 | 34,463 | 11.9 | 10.5 | 12.3 | 10.4 |
| Total personal income | 1,583,508 | 1,782,519 | 30,652 | 31,734 | 34,386 | 35,323 | 12.4 | 12.2 | 12.6 | 11.3 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 21,020 | 21,687 | 23,156 | 23,832 | 12.1 | 10.2 | 12.6 | 9.9 |
| Other labor income | 96,016 | 111,719 | 1,856 | 1,939 | 2,131 | 2,203 | 17.0 | 14.8 | 16.4 | 13.6 |
| Proprietors' income | 105,953 | 125,995 | 1,624 | 1,855 | 2,294 | 2,342 | 21.5 | 41.3 | 18.9 | 26.3 |
| Farm | 23,636 | 31,044 | 154 | 366 | 683 | 679 | 66.6 | 344.2 | 31.3 | 85.6 |
| Nontarm | 82,317 | 94,951 | 1,470 | 1,489 | 1,612 | 1,663 | 12.8 | 9.6 | 15.3 | 11.7 |
| Dividends, interest, and rent | 214,992 | 242,442 | 3,402 | 3,481 | 3,805 | 3,911 | 12.3 | 11.9 | 12.8 | 12.4 |
| Transfer payments | 215,944 | 233,750 | 4,121 | 4,173 | 4,525 | 4,588 | 8.8 | 9.8 | 8.2 | 10.0 |
| State unemployment insurance benefits | 11,128 | 7,753 | 163 | 145 | 137 | 119 | -24.0 | -16.0 | -30.3 | -17.7 |
| Less: personal contributions | 62,212 | 71,610 | 1,276 | 1,304 | 1,434 | 1,458 | 14.8 | 12.4 | 15.1 | 11.9 |
| Plus: residence adjustment | -401 | -473 | -94 | -96 | -92 | -95 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 21,020 | 21,687 | 23,156 | 23,832 | 12.1 | 10.2 | 12.6 | 9.9 |
| Farm | 7,176 | 7,939 | 155 | 159 | 169 | 177 | 8.5 | 8.8 | 10.6 | 11.3 |
| Nontarm | 1,006,040 | 1,132,757 | 20,865 | 21,528 | 22,988 | 23,655 | 12.1 | 10.2 | 12.6 | 9.9 |
| Mining | 14,048 | 18,813 | 95 | 91 | 110 | 114 | 26.5 | 15.0 | 33.9 | 24.6 |
| Construction | 55,648 | 66,858 | 1,065 | 1,068 | 1,168 | 1,173 | 19.1 | 9.7 | 20.1 | 9.9 |
| Manufacturing | 276,112 | 312,970 | 5,217 | 5,354 | 5,826 | 6,119 | 12.1 | 11.7 | 13.3 | 14.3 |
| Durable goods | 176,216 | 203,053 | 1,940 | 2,020 | 2,173 | 2,376 | 13.7 | 12.0 | 15.2 | 17.6 |
| Nondurable goods | 99,896 | 109,917 | 3,277 | 3,334 | 3,653 | 3,743 | 9.4 | 11.5 | 10.0 | 12.3 |
| Private service-type | 455,764 | 515,348 | 9,859 | 10,203 | 10,911 | 11,118 | 12.8 | 10.7 | 13.1 | 9.0 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 1,890 | 1,971 | 2,074 | 2,111 | 10.4 | 9.7 | 11.3 | 7.1 |
| Wholesale and retail trade | 170,888 | 195,035 | 4,099 | 4,219 | 4,545 | 4,630 | 13.6 | 10.9 | 14.1 | 9.8 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 1,119 | 1,152 | 1,243 | 1,266 | 14.1 | 11.2 | 13.2 | 9.9 |
| Services | 153,840 | 173,396 | 2,752 | 2,860 | 3,048 | 3,110 | 12.6 | 10.8 | 12.7 | 8.7 |
| Government | 201,252 | 215,083 | 4,566 | 4,749 | 4,901 | 5,060 | 7.4 | 7.3 | 6.9 | 6.6 |
| Federal..... | 68,176 | 73,003 | 1,963 | 2,061 | 2,050 | 2,148 | 7.3 | 4.4 | 7.1 | 4.2 |
| State and local | 133,076 | 142,080 | 2,603 | 2,687 | 2,850 | 2,912 | 7.5 | 9.5 | 6.8 | 8.4 |
| Other | 3,216 | 3,685 | 63 | 64 | 73 | 72 | 18.7 | 15.7 | 14.6 | 11.8 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Georgia Through Fourth Quarter, 1978¹

| | United States | | | Georgia | | | U.S. | State | U.S. | State |
|--|---------------|---------|----------|---------|----------|----------------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Atlanta | --- | --- | 183.0 | 184.5 | 195.2 | 198.8 | --- | 6.7 | --- | 7.8 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Georgia's **civilian labor force** increased 2.7 percent versus 3.1 percent nationally (table 4). **Total employment** increased 3.3 percent versus 3.9 percent nationally, to 2.2 million.

With employment increasing by 71,000 and the labor force increasing by 61,000, the number of **unemployed** declined by 10,000, to 138,000. Georgia's **unemployment rate** declined 0.6 percentage point, to 5.9 percent of the labor force. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among Georgia's major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 5.7 percent, ranged from 6.4 percent in Columbus, Macon, and Savannah to 5.5 percent in Augusta. In Atlanta, which accounted for almost two-fifths of the State's total labor force in 1978:IV, the preliminary unemployment rate in December 1978 was 5.7 percent. From December 1977 to December 1978, the unemployment rate declined 2.3 percentage points in Macon, compared with a decline of only 0.4 percentage point statewide; Macon's decline was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Georgia

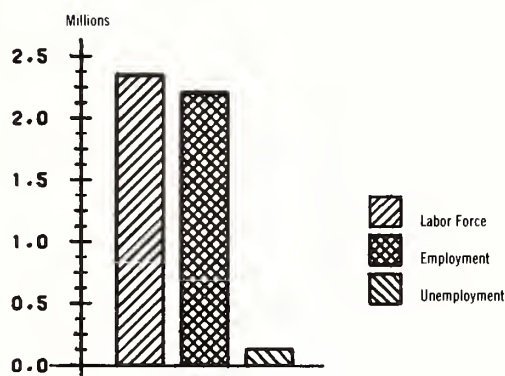


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

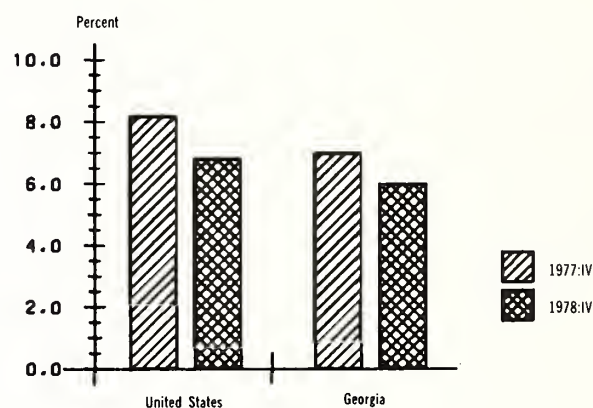


TABLE 4.—Labor Force, United States and Georgia Through Fourth Quarter, 1978

| | United States | | | Georgia | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,896 | 1,925 | 1,940 | 1,963 | 4.3 | 2.3 | 4.2 | 2.0 |
| Mining | 787 | 899 | 7 | 7 | 8 | 7 | 8.2 | 5.6 | 14.2 | 4.2 |
| Construction | 4,032 | 4,488 | 92 | 91 | 100 | 99 | 10.4 | 8.9 | 11.3 | 8.2 |
| Manufacturing | 19,986 | 20,722 | 491 | 494 | 501 | 506 | 3.1 | 2.0 | 3.7 | 2.6 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 120 | 121 | 126 | 125 | 3.8 | 4.9 | 4.4 | 3.9 |
| Wholesale and retail trade | 19,152 | 20,015 | 435 | 446 | 445 | 453 | 5.3 | 2.1 | 4.5 | 1.5 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 100 | 100 | 102 | 102 | 4.8 | 1.7 | -2.0 | 2.5 |
| Services | 15,539 | 16,215 | 286 | 283 | 288 | 287 | 4.6 | 1.0 | 4.4 | 1.2 |
| Government | 15,434 | 15,656 | 366 | 383 | 372 | 383 | 2.1 | 1.7 | 1.4 | -1 |
| Civilian labor force ³ | 98,591 | 101,615 | 2,291 | 2,289 | 2,348 | 2,350 | 3.2 | 2.5 | 3.1 | 2.7 |
| Total employed | 92,442 | 96,010 | 2,131 | 2,141 | 2,204 | 2,212 | 4.1 | 3.5 | 3.9 | 3.3 |
| Total unemployed | 6,149 | 5,605 | 161 | 148 | 144 | 138 | -9.8 | -10.6 | -8.8 | -6.7 |
| Percent unemployed | 6.2 | 5.5 | 7.0 | 6.5 | 6.1 | 5.9 | | | | |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

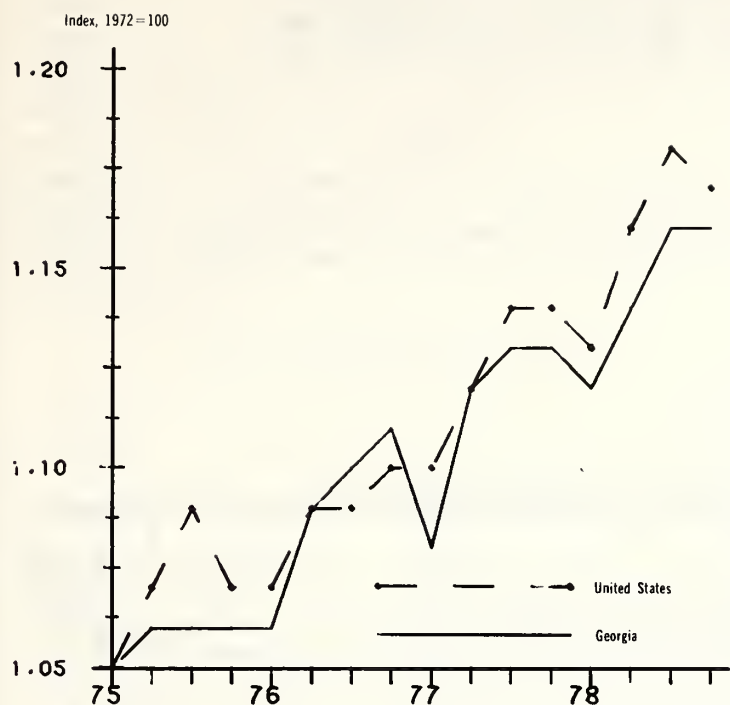


Chart 8.—Civilian Employment

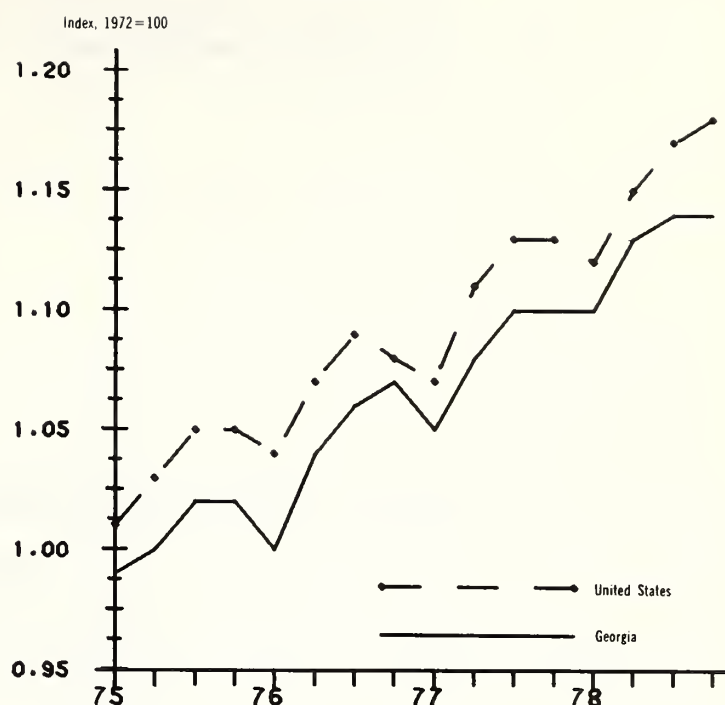


Chart 9.—Unemployment Rate

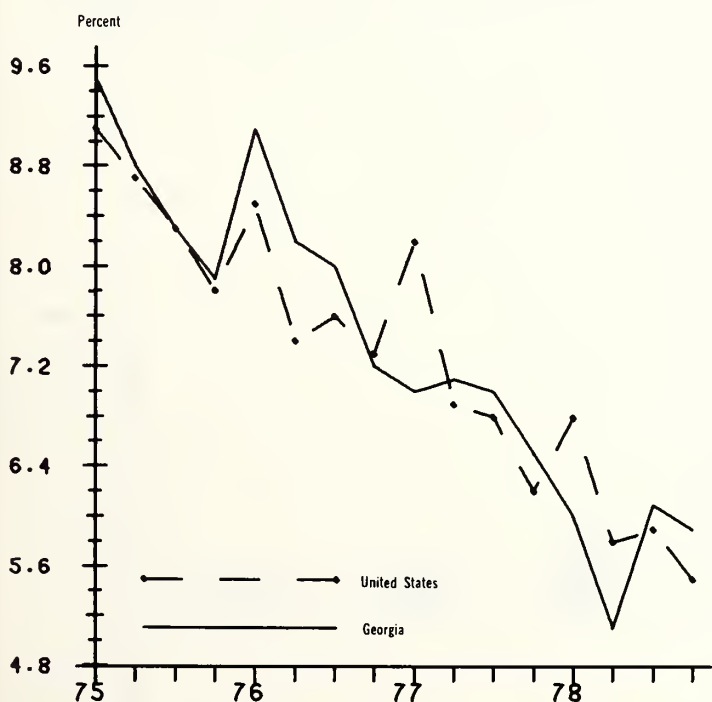
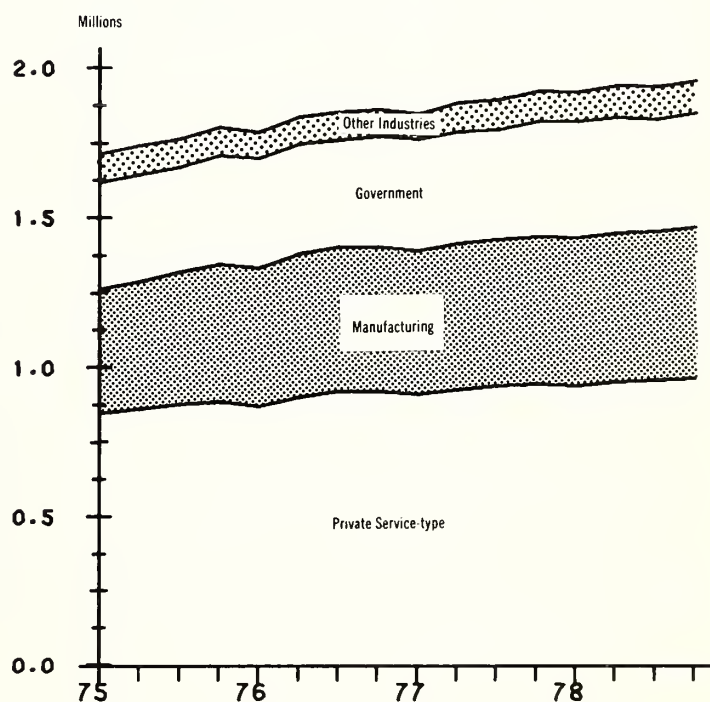


Chart 10.—Industrial Composition of Nonagricultural Employment: Georgia



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Georgia Through Fourth Quarter, 1978

| | United States | | | Georgia | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 9,923 | 10,132 | 10,791 | n.a. | 16.3 | 8.7 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 2,631 | 2,745 | 2,903 | n.a. | 14.2 | 10.3 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 3,397 | 3,497 | 3,847 | n.a. | 20.2 | 13.2 | --- | --- |
| Real estate | 177,935 | n.a. | 2,896 | 2,936 | 3,125 | n.a. | 19.9 | 7.9 | --- | --- |
| Residential | 101,236 | n.a. | 1,206 | 1,271 | 1,408 | n.a. | 21.3 | 16.8 | --- | --- |
| Farms | 7,731 | n.a. | 347 | 333 | 340 | n.a. | 10.7 | -2.1 | --- | --- |
| Other | 68,968 | n.a. | 1,343 | 1,332 | 1,377 | n.a. | 19.0 | 2.5 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 349 | 303 | 311 | n.a. | 6.8 | -10.8 | --- | --- |
| Other | 69,947 | n.a. | 650 | 651 | 605 | n.a. | 8.0 | -6.9 | --- | --- |
| Total deposits | 925,511 | n.a. | 13,722 | 14,583 | 15,216 | n.a. | 11.5 | 10.9 | --- | --- |
| Demand | 377,683 | n.a. | 6,452 | 7,105 | 7,130 | n.a. | 10.2 | 10.5 | --- | --- |
| Time and savings | 547,828 | n.a. | 7,270 | 7,478 | 8,085 | n.a. | 12.3 | 11.2 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 10.1 percent (\$92.3 million), to \$1.0 billion (table 6). The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts sustained a real decline of about 3 percent versus a real increase of about 4 percent nationally.

Nonbuilding contracts declined 40.8 percent in valuation versus a 22.2-percent national increase. Georgia's decline was one of the largest in the Nation. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 50.0 percent, three times the national decline.

Residential housekeeping contracts increased 15.5 percent in valuation, about the same as nationally. The number of dwelling units started increased 9.8 percent (978 units), to 10,941 units. Nationally, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased 27.8 percent in valuation, almost twice as much as nationally.

Nonresidential contracts increased 27.4 percent in valuation versus 15.8 percent nationally. In 1978:IV, the valuation of these contracts totaled \$314.7 million in the State, including \$53 million for the construction of a paper plant in Chatham County.

Chart 14.—Construction Contracts—Total Valuation

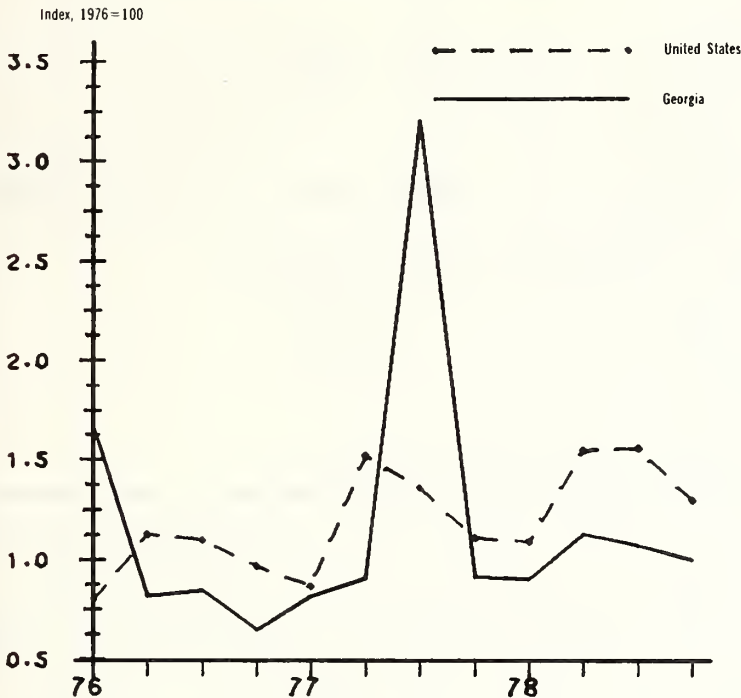


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Georgia

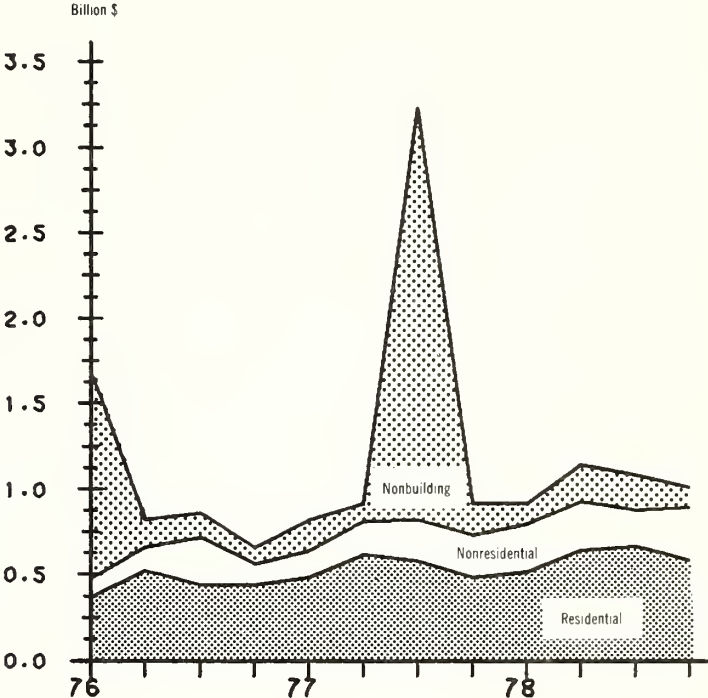


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

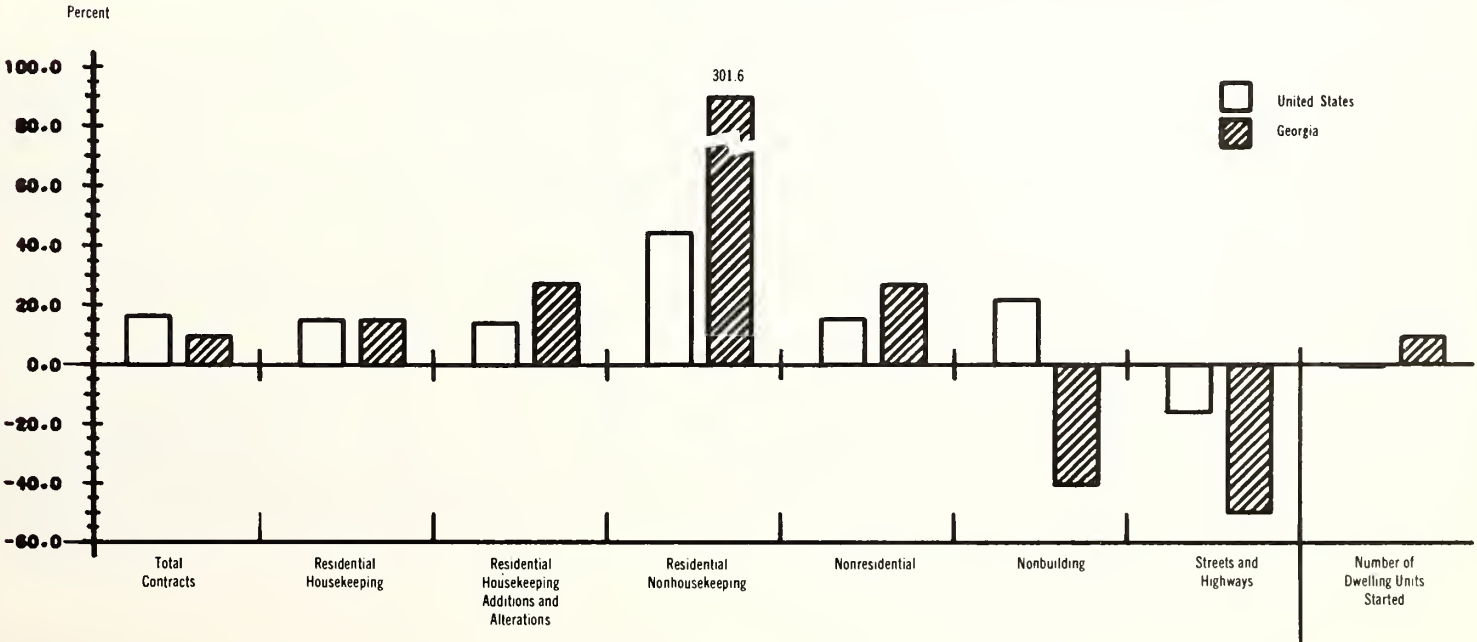


TABLE 6.—Construction Contracts, United States and Georgia Through Fourth Quarter, 1978¹

| | United States | | | Georgia | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|-----------|---------|-----------|-----------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 3,231,700 | 915,405 | 1,083,365 | 1,007,683 | 14.5 | -66.5 | 16.8 | 10.1 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 176,378 | 153,819 | 209,743 | 196,563 | 16.8 | 18.9 | 14.6 | 27.8 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,920 | 1,810 | 1,834 | 1,576 | 4.4 | -4.5 | -9.3 | -12.9 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 3,055,322 | 761,586 | 873,622 | 811,120 | 14.0 | -71.4 | 17.4 | 6.5 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 25,059 | 23,457 | 27,445 | 25,456 | 10.8 | 9.5 | 10.2 | 8.5 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 568 | 536 | 559 | 567 | -5.1 | -1.6 | -4.3 | 5.8 |
| Number of dwelling units | 445,772 | 443,075 | 13,059 | 9,963 | 12,574 | 10,941 | 1.0 | -3.7 | -6 | 9.8 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 405,173 | 330,770 | 444,674 | 381,979 | 15.3 | 9.7 | 15.6 | 15.5 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 18,116 | 14,705 | 19,055 | 16,520 | 10.3 | 5.2 | 10.7 | 12.3 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 9 | 8 | 23 | 18 | -10.0 | 155.6 | -4 | 125.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 846 | 1,660 | 14,745 | 6,667 | 9.4 | *** | 44.8 | 301.6 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 14 | 16 | 234 | 168 | -7 | *** | 24.7 | 928.2 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 721 | 767 | 822 | 715 | -2.5 | 14.0 | -12.0 | -6.8 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 244,277 | 247,024 | 213,983 | 314,683 | 27.6 | -12.4 | 15.8 | 27.4 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 6,929 | 8,735 | 8,157 | 8,768 | 12.2 | 17.7 | 8.9 | .4 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 622 | 499 | 430 | 276 | 22.4 | -30.9 | -9.1 | -44.7 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 2,405,026 | 182,132 | 200,220 | 107,791 | -1 | -91.7 | 22.2 | -40.8 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 431 | 277 | 166 | 101 | 9.3 | -61.5 | -17.8 | -63.5 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 113,766 | 92,874 | 49,629 | 46,452 | 3.0 | -56.4 | -16.3 | -50.0 |

***Percent change greater than 999.9.

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Georgia are not available.

TABLE 7.—Retail Sales, United States and Georgia Through Fourth Quarter, 1978

| | United States | | | Georgia | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

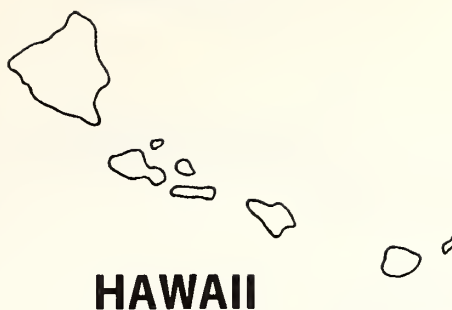
TABLE 8.—Business Incorporations and Failures, United States and Georgia Through Fourth Quarter, 1978

| | United States | | | Georgia | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 2,495 | 2,563 | 2,778 | n.a. | 8.2 | 11.3 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 44 | 21 | 28 | n.a. | -9.5 | -36.4 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 7,197 | 5,561 | 13,381 | n.a. | -44.2 | 85.9 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 164 | 265 | 478 | n.a. | -38.4 | 191.5 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 5 | 2 | 3 | n.a. | -10.1 | -40.0 | --- | --- |
| Construction | 319 | n.a. | 14 | 3 | 8 | n.a. | 1.0 | -42.9 | --- | --- |
| Wholesale trade | 191 | n.a. | 9 | 4 | 3 | n.a. | -27.1 | -66.7 | --- | --- |
| Retail trade | 688 | n.a. | 10 | 9 | 13 | n.a. | -4.2 | 30.0 | --- | --- |
| Commercial services | 238 | n.a. | 6 | 3 | 1 | n.a. | -24.0 | -83.3 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 9.8% vs. 12.6% in U.S., to \$7.7 billion —Trade payrolls up 9.1% vs. 14.1% in U.S. —Services payrolls up 3.7% vs. 12.7% in U.S. |
| Consumer prices | —Up 8.6% in Honolulu vs. 8.9% in U.S. |
| Employment | —Up 0.9% vs. 3.9% in U.S., to 376,000 |
| Unemployment | —Up 3,000, to 32,000 —Rate up 0.5 percentage point, to 7.8% of labor force vs. 5.5% in U.S. |
| Construction | —Total valuation of contracts up 58.6%, largest gain in U.S., vs. 16.8% nationally, to \$236 million —Number of dwelling-unit starts doubled vs. near stability in U.S., to 2,773 |

TABLE 1.—Summary of Economic Indicators, United States and Hawaii Through Fourth Quarter, 1978

| | United States | | | Hawaii | | | U.S. | State | U.S. | State |
|---|---------------|------------|----------|---------|----------|----------------|-----------------------|----------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | | | | | | | | | | |
| | | | | | | | | | | |
| All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 6,819 | 7,030 | 7,473 | 7,721 | 12.4 | 9.6 | 12.6 | 9.8 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 4,645 | 4,745 | 5,068 | 5,250 | 12.1 | 9.1 | 12.6 | 10.6 |
| Civilian employment (thousands)..... | 92,442 | 96,010 | 380 | 373 | 376 | 376 | 4.1 | -1.0 | 3.9 | .9 |
| Unemployment (thousands) | 6,149 | 5,605 | 29 | 29 | 31 | 32 | -9.8 | 7.9 | -8.8 | 9.7 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 7.1 | 7.3 | 7.7 | 7.8 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 2,015 | 2,090 | 2,384 | n.a. | 16.3 | 18.3 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 3,116 | 3,201 | 3,515 | n.a. | 11.5 | 12.8 | --- | --- |
| Total valuation of construction contracts (thousands of dollars)..... | 38,913,111 | 45,459,773 | 153,730 | 149,157 | 220,403 | 236,199 | 14.5 | 43.4 | 16.8 | 58.4 |
| Dwelling units started (number) | 445,772 | 443,075 | 1,418 | 1,340 | 1,647 | 2,773 | 1.0 | 16.1 | -6 | 106.9 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 675 | 657 | 727 | n.a. | 8.2 | 7.7 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 0 | 0 | 8 | n.a. | -9.5 | --- | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Honolulu | --- | --- | 173.4 | 174.9 | 186.0 | 190.0 | --- | 7.3 | --- | 8.6 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Hawaii increased 9.8 percent from 1977:IV to 1978:IV, to \$7.7 billion (table 2). The rate of gain lagged the Nation's 12.6-percent rate of gain and was lower in only three States. **Consumer prices** in the Honolulu metropolitan area increased 8.6 percent versus 8.9 percent nationally (table 3). If this increase is used as an indicator for price increases throughout the islands, real total personal income increased 1.2 percent from year to year, compared with 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 10.6 percent, to \$5.2 billion. Payrolls in two of the State's major industries—trade and services—registered gains that lagged those of national counterparts and that were among the smallest among all States. Trade payrolls

increased 9.1 percent, compared with 14.1 percent nationally, to \$835 million. Services payrolls increased 3.7 percent, compared with 12.7 percent nationally, to \$864 million.

Construction payrolls increased 35.1 percent, an increase that was 15 percentage points above the Nation's average increase and that was larger only in Nevada and Arizona. The State's large gain was from an unusually low level in 1977:IV, when construction workers were on strike for two and one-half months. Nondurables manufacturing payrolls increased 17.3 percent, one of the largest gains in the Nation and well above the 10.0-percent national gain.

Transportation-communication-public utilities payrolls increased 13.7 percent, compared with a national increase of 11.3 percent. Finance-insurance-real estate payrolls increased 14.5 percent, leading the Nation's 13.2-percent gain. While State and local government payrolls increased 6.9 percent, about the same as nationally, Federal Government payrolls increased 9.3 percent, over 2 percentage points more than nationally.

State unemployment insurance benefits declined 54.5 percent, from \$62 million in 1977:IV to \$28 million in 1978:IV; only Connecticut registered a larger decline.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]

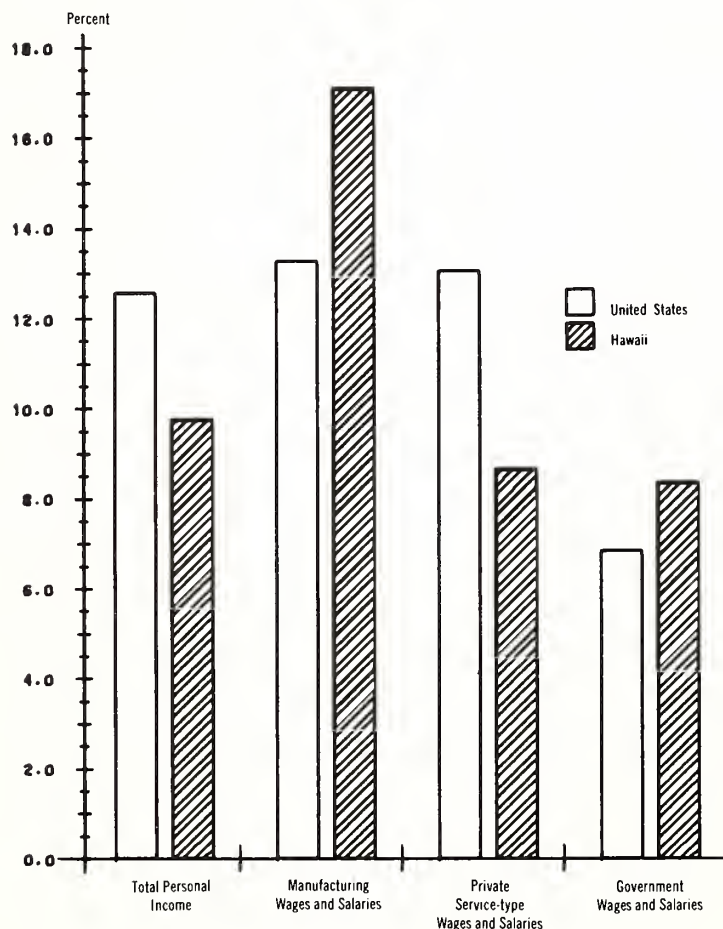


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

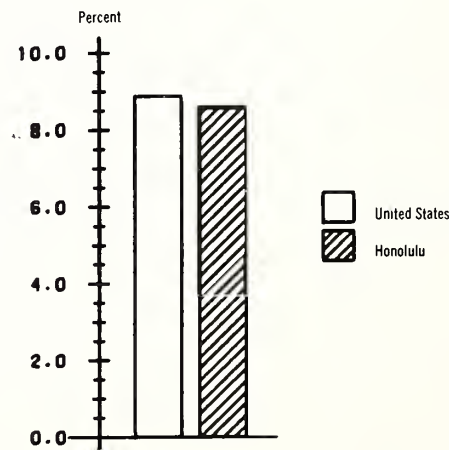


Chart 3.—Total Personal Income
[Seasonally adjusted]

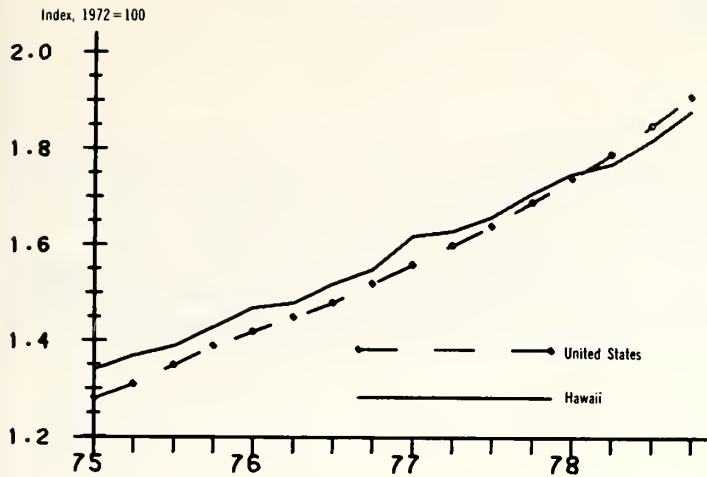


Chart 4.—Industrial Composition of Wages and Salaries: Hawaii
[Seasonally adjusted]

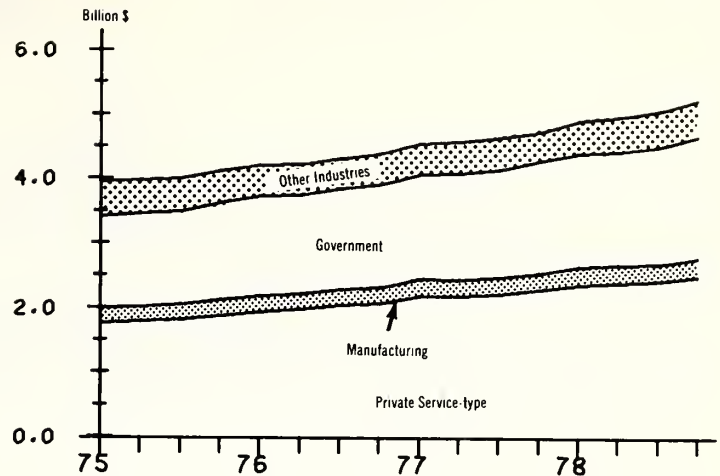


TABLE 2.—Personal Income, United States and Hawaii Through Fourth Quarter, 1978

| | United States | | | Hawaii | | | U.S. | State | U.S. | State |
|---|---------------|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 6,819 | 7,030 | 7,473 | 7,721 | 12.4 | 9.6 | 12.6 | 9.8 |
| Farm personal income..... | 31,224 | 39,451 | 170 | 229 | 168 | 175 | 47.9 | -1.3 | 26.3 | -23.5 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 6,649 | 6,801 | 7,305 | 7,546 | 11.9 | 9.9 | 12.3 | 11.0 |
| Total personal income | 1,583,508 | 1,782,519 | 6,819 | 7,030 | 7,473 | 7,721 | 12.4 | 9.6 | 12.6 | 9.8 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 4,645 | 4,745 | 5,068 | 5,250 | 12.1 | 9.1 | 12.6 | 10.6 |
| Dther labor income | 96,016 | 111,719 | 324 | 333 | 367 | 381 | 17.0 | 13.5 | 16.4 | 14.5 |
| Proprietors' income | 105,953 | 125,995 | 288 | 341 | 305 | 318 | 21.5 | 6.0 | 18.9 | -7.0 |
| Farm | 23,636 | 31,044 | 17 | 69 | 2 | 2 | 66.6 | -87.2 | 31.3 | -96.9 |
| Nonfarm | 82,317 | 94,951 | 271 | 272 | 303 | 315 | 12.8 | 11.8 | 15.3 | 15.9 |
| Dividends, interest, and rent | 214,992 | 242,442 | 986 | 1,007 | 1,108 | 1,142 | 12.3 | 12.4 | 12.8 | 13.4 |
| Transfer payments | 215,944 | 233,750 | 870 | 896 | 947 | 962 | 8.8 | 8.9 | 8.2 | 7.3 |
| State unemployment insurance benefits..... | 11,128 | 7,753 | 53 | 62 | 32 | 28 | -24.0 | -38.7 | -30.3 | -54.5 |
| Less: personal contributions | 62,212 | 71,610 | 293 | 293 | 323 | 331 | 14.8 | 10.2 | 15.1 | 13.0 |
| Plus: residence adjustment..... | -401 | -473 | 0 | 0 | 0 | 0 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 4,645 | 4,745 | 5,068 | 5,250 | 12.1 | 9.1 | 12.6 | 10.6 |
| Farm | 7,176 | 7,939 | 139 | 144 | 150 | 156 | 8.5 | 7.9 | 10.6 | 8.3 |
| Nonfarm | 1,006,040 | 1,132,757 | 4,506 | 4,601 | 4,918 | 5,094 | 12.1 | 9.1 | 12.6 | 10.7 |
| Mining | 14,048 | 18,813 | 0 | 0 | 0 | 0 | 26.5 | --- | 33.9 | --- |
| Construction | 55,648 | 66,858 | 330 | 291 | 375 | 393 | 19.1 | 13.4 | 20.1 | 35.1 |
| Manufacturing | 276,112 | 312,970 | 263 | 250 | 270 | 293 | 12.1 | 2.8 | 13.3 | 17.1 |
| Durable goods | 176,216 | 203,053 | 62 | 64 | 68 | 75 | 13.7 | 10.5 | 15.2 | 16.5 |
| Nondurable goods | 99,896 | 109,917 | 201 | 186 | 202 | 218 | 9.4 | .4 | 10.0 | 17.3 |
| Private service-type | 455,764 | 515,348 | 2,228 | 2,303 | 2,429 | 2,502 | 12.8 | 9.1 | 13.1 | 8.7 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 403 | 406 | 449 | 462 | 10.4 | 11.2 | 11.3 | 13.7 |
| Wholesale and retail trade | 170,888 | 195,035 | 750 | 765 | 818 | 835 | 13.6 | 9.1 | 14.1 | 9.1 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 268 | 298 | 332 | 342 | 14.1 | 23.6 | 13.2 | 14.5 |
| Services | 153,840 | 173,396 | 806 | 833 | 831 | 864 | 12.6 | 3.1 | 12.7 | 3.7 |
| Government | 201,252 | 215,083 | 1,665 | 1,737 | 1,820 | 1,882 | 7.4 | 9.3 | 6.9 | 8.4 |
| Federal | 68,176 | 73,003 | 1,002 | 1,061 | 1,107 | 1,159 | 7.3 | 10.5 | 7.1 | 9.3 |
| State and local | 133,076 | 142,080 | 663 | 676 | 713 | 723 | 7.5 | 7.5 | 6.8 | 6.9 |
| Other | 3,216 | 3,685 | 20 | 21 | 24 | 24 | 18.7 | 19.9 | 14.6 | 16.6 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Hawaii Through Fourth Quarter, 1978¹

| | United States | | | Hawaii | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967=100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Honolulu | --- | --- | 173.4 | 174.9 | 186.0 | 190.0 | --- | 7.3 | --- | 8.6 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Hawaii's **civilian labor force** increased 1.6 percent, or about one-half of the Nation's average advance (table 4). **Total employment** increased from 373,000 to 376,000, a 0.9-percent advance. The advance was one of the smallest in the Nation and was 3 percentage points below the national average advance.

With employment increasing by only 3,000 and the labor force increasing by 6,000, the number of **unemployed** increased by 3,000. Hawaii's **unemployment rate** increased 0.5 percentage point, to 7.8

percent of the labor force, a rate matched in the District of Columbia and exceeded only in Alaska. In contrast, the Nation's unemployment rate declined 0.7 percentage point, to 5.5 percent.

Across the islands, unemployment rates varied somewhat. According to preliminary data for December 1978, the unemployment rate on Oahu was 7.0 percent. The average rate for all of the other islands was 8.1 percent. The preliminary State rate was 7.2 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Hawaii

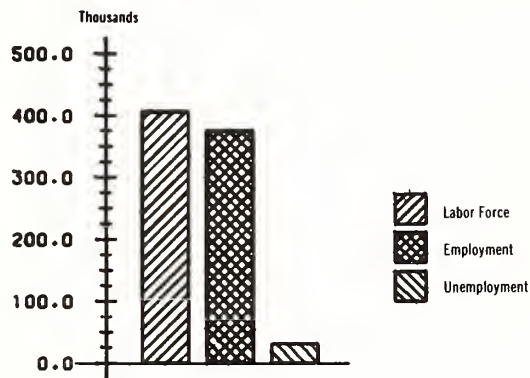


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

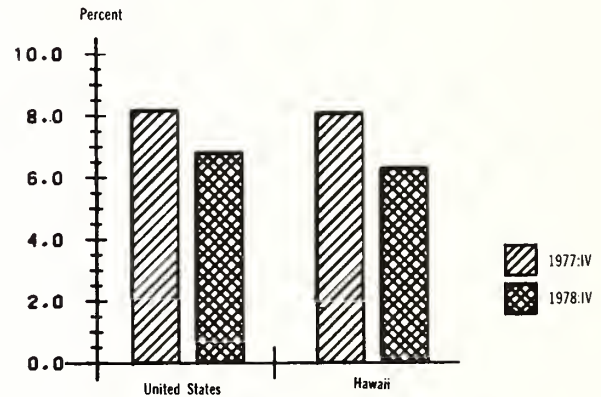


TABLE 4.—Labor Force, United States and Hawaii Through Fourth Quarter, 1978

| | United States | | | Hawaii | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 360 | 354 | 367 | 368 | 4.3 | 2.0 | 4.2 | 3.8 |
| Mining and services | 16,326 | 17,114 | 85 | 86 | 88 | 90 | --- | 3.3 | --- | 4.2 |
| Construction | 4,032 | 4,488 | 20 | 17 | 20 | 21 | 10.4 | -5 | 11.3 | 21.2 |
| Manufacturing | 19,986 | 20,722 | 25 | 21 | 26 | 23 | 3.1 | 1.2 | 3.7 | 10.0 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 29 | 28 | 29 | 29 | 3.8 | 1.1 | 4.4 | 1.8 |
| Wholesale and retail trade | 19,152 | 20,015 | 91 | 91 | 92 | 92 | 5.3 | 1.0 | 4.5 | 1.2 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 25 | 25 | 25 | 26 | 4.8 | 2.4 | -2.0 | 3.6 |
| Government | 15,434 | 15,656 | 85 | 86 | 87 | 88 | 2.1 | 2.7 | 1.4 | 2.1 |
| Civilian labor force ³ | 98,591 | 101,615 | 409 | 402 | 408 | 409 | 3.2 | -4 | 3.1 | 1.6 |
| Total employed | 92,442 | 96,010 | 380 | 373 | 376 | 376 | 4.1 | -1.0 | 3.9 | .9 |
| Total unemployed | 6,149 | 5,605 | 29 | 29 | 31 | 32 | -9.8 | 7.9 | -8.8 | 9.7 |
| Percent unemployed | 6.2 | 5.5 | 7.1 | 7.3 | 7.7 | 7.8 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

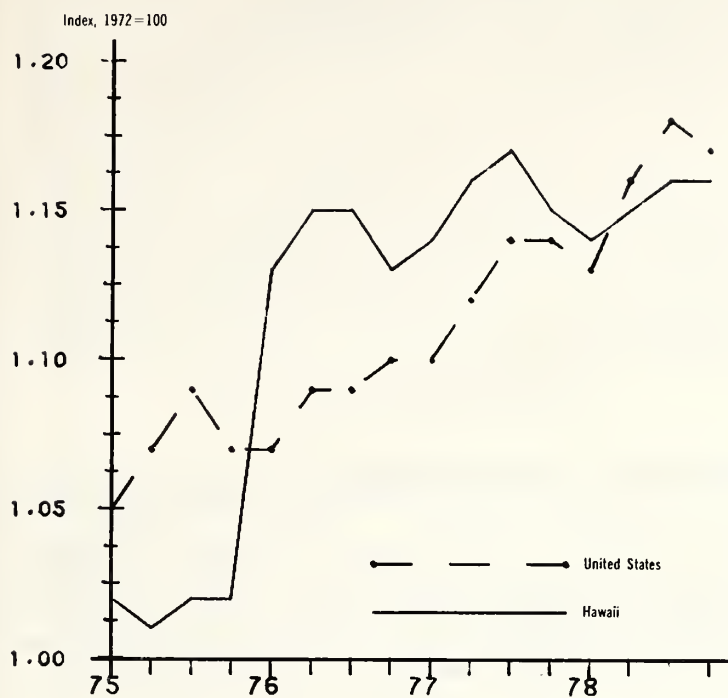


Chart 8.—Civilian Employment

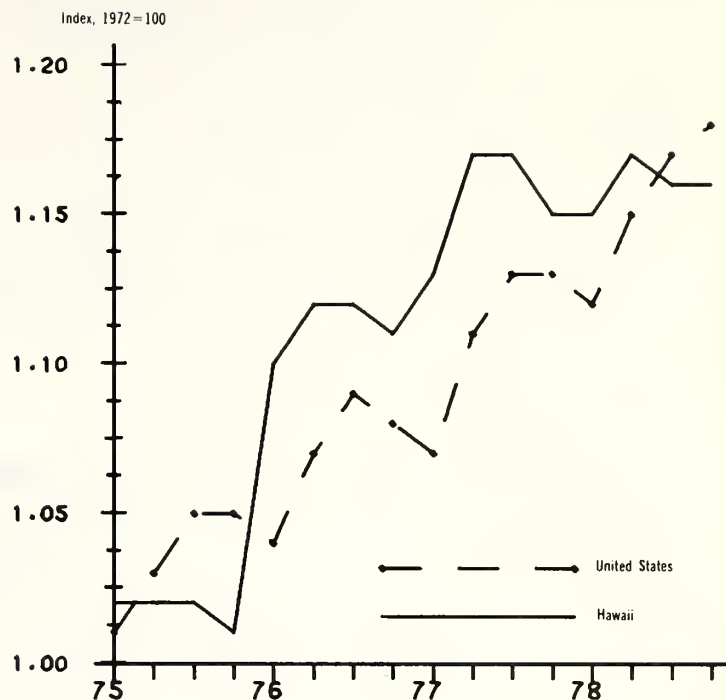


Chart 9.—Unemployment Rate

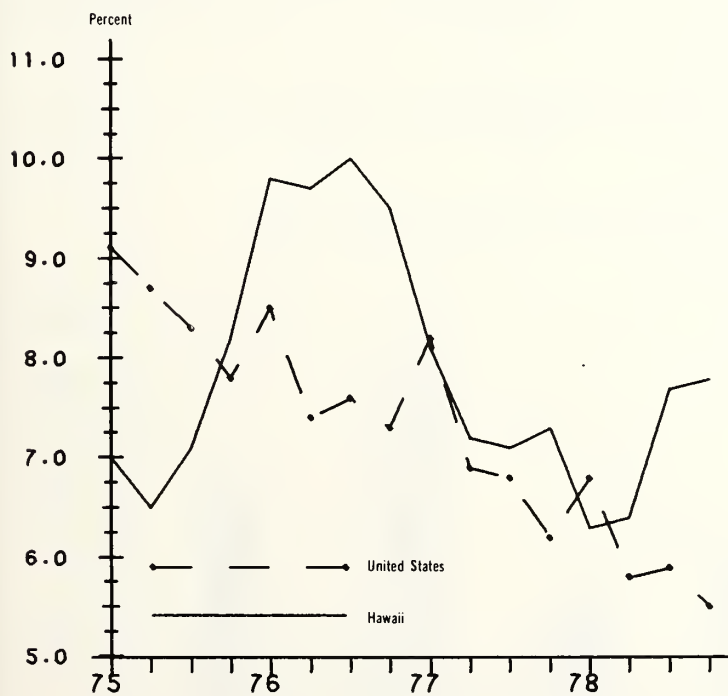
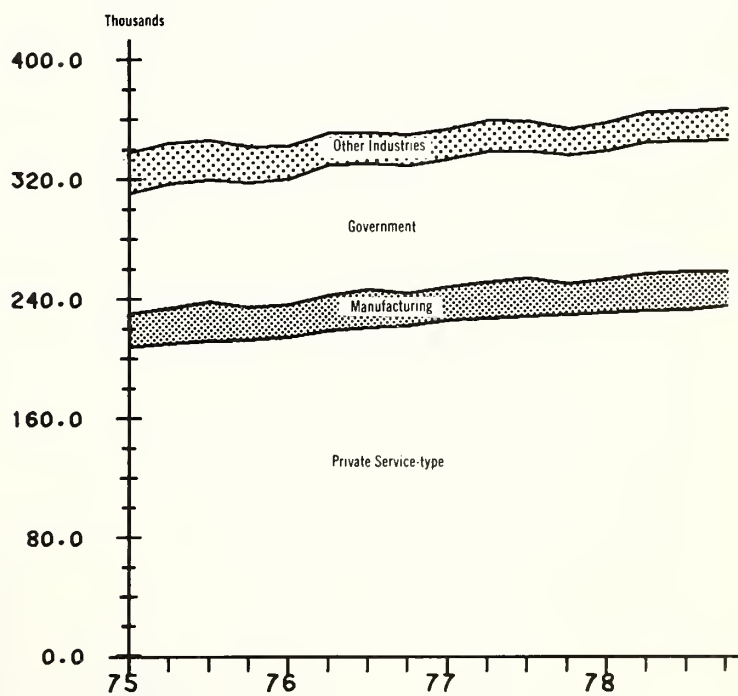


Chart 10.—Industrial Composition of Nonagricultural Employment: Hawaii



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Hawaii Through Fourth Quarter, 1978

| | United States | | | Hawaii | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 2,015 | 2,090 | 2,384 | n.a. | 16.3 | 18.3 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 458 | 473 | 540 | n.a. | 14.2 | 18.0 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 451 | 473 | 550 | n.a. | 20.2 | 21.8 | --- | --- |
| Real estate | 177,935 | n.a. | 967 | 992 | 1,103 | n.a. | 19.9 | 14.1 | --- | --- |
| Residential | 101,236 | n.a. | 625 | 664 | 756 | n.a. | 21.3 | 21.0 | --- | --- |
| Farms | 7,731 | n.a. | 9 | 6 | 7 | n.a. | 10.7 | -21.4 | --- | --- |
| Other | 68,968 | n.a. | 333 | 322 | 339 | n.a. | 19.0 | 2.1 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 12 | 15 | 14 | n.a. | 6.8 | 10.1 | --- | --- |
| Other | 69,947 | n.a. | 127 | 137 | 177 | n.a. | 8.0 | 39.9 | --- | --- |
| Total deposits | 925,511 | n.a. | 3,116 | 3,201 | 3,515 | n.a. | 11.5 | 12.8 | --- | --- |
| Demand | 377,683 | n.a. | 1,088 | 1,204 | 1,216 | n.a. | 10.2 | 11.7 | --- | --- |
| Time and savings | 547,828 | n.a. | 2,028 | 1,997 | 2,299 | n.a. | 12.3 | 13.4 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in Hawaii rose 58.4 percent from 1977:IV to 1978:IV, far exceeding the Nation's 16.8-percent gain and ranking first among all State gains (table 6). Part of the sharp year-to-year gain, however, was due to the makeup from the effects of the ironworkers' strike, which had lasted from August 1977 until December of that year and which had depressed the total valuation of contracts in 1977:IV. In 1978:IV, the total valuation of contracts reached \$236 million, up \$87 million from a year previous.

Large contracts for one-family houses in Honolulu, totaling over \$31 million, helped to increase the total valuation of residential housekeeping contracts by one-and-one-half times, to \$124 million in 1978:IV. Hawaii's percent gain, which was exceeded only by West Virginia's, far outpaced the Nation's gain of 15.6 percent. The number of dwelling units started rose 106.9 percent, from 1,300 in 1977:IV to 2,800 in 1978:IV; the percent gain was exceeded only by West Virginia's.

In contrast, in the Nation, the number of dwelling units started was almost unchanged at a high level. The valuation of contracts for additions and alterations to residential housekeeping units rose 28.6 percent, almost twice the national average gain.

Street and highway contracts nearly tripled in valuation from year to year, in sharp contrast to a 16.3-percent decline nationally. The valuation of all nonbuilding contracts (including streets and highways) in Hawaii was about unchanged, at \$32 million. Nationally, nonbuilding contracts rose 22.2 percent in valuation.

The valuation of nonresidential contracts rose 9.7 percent, compared with a 15.7-percent national gain. In 1978:IV, the valuation totaled \$42 million, including an \$11 million contract for a university building in Honolulu. Without this contract, the valuation of nonresidential contracts in the State would have declined 18.2 percent.

Chart 14.—Construction Contracts—Total Valuation

Index, 1976=100

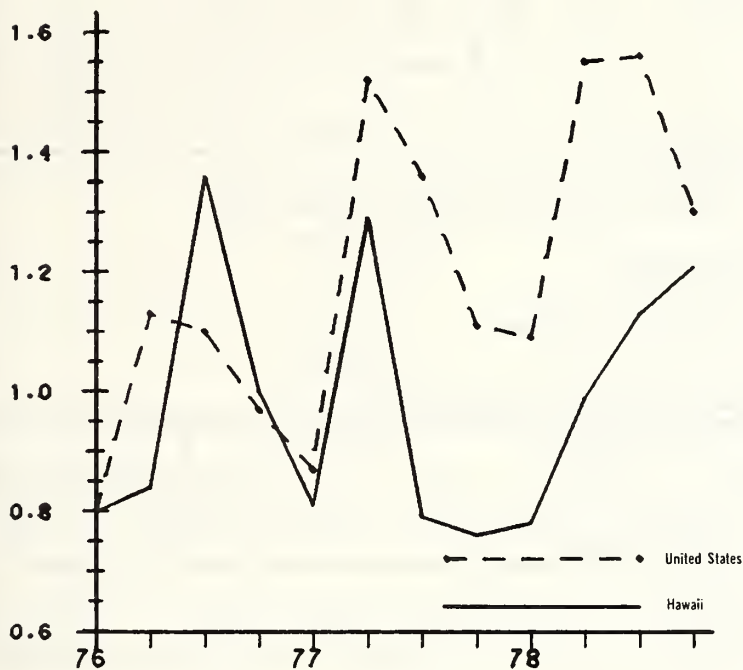


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Hawaii

Million \$

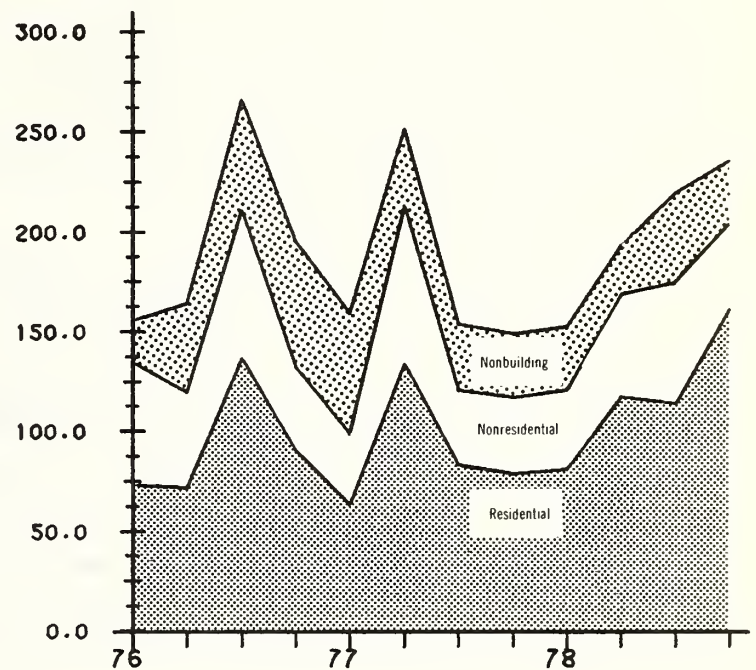


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

Percent

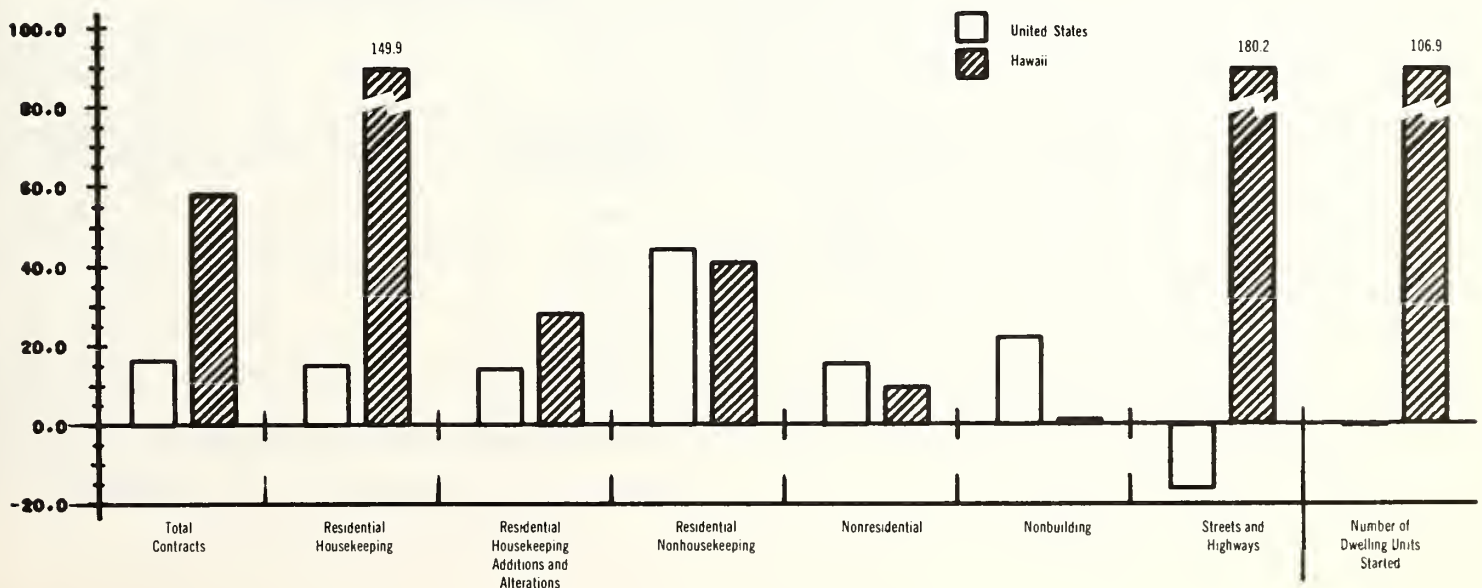


TABLE 6.—Construction Contracts, United States and Hawaii Through Fourth Quarter, 1978¹

| | United States | | | Hawaii | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 153,730 | 149,157 | 220,403 | 236,199 | 14.5 | 43.4 | 16.8 | 58.4 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 28,537 | 28,304 | 37,335 | 36,392 | 16.8 | 30.8 | 14.6 | 28.6 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 294 | 343 | 285 | 229 | 4.4 | -3.1 | -9.3 | -33.2 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 125,193 | 120,853 | 183,068 | 199,807 | 14.0 | 46.2 | 17.4 | 65.3 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 5,636 | 2,561 | 4,468 | 4,986 | 10.8 | -20.7 | 10.2 | 94.7 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 41 | 27 | 24 | 27 | -5.1 | -41.5 | -4.3 | .0 |
| Number of dwelling units | 445,772 | 443,075 | 1,418 | 1,340 | 1,647 | 2,773 | 1.0 | 16.1 | -6 | 106.9 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 53,828 | 49,641 | 74,741 | 124,061 | 15.3 | 38.9 | 15.6 | 149.9 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 1,664 | 1,453 | 2,337 | 3,914 | 10.3 | 40.5 | 10.7 | 169.4 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 4 | 4 | 5 | 5 | -10.0 | 25.0 | -4 | 25.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 625 | 944 | 1,996 | 1,336 | 9.4 | 219.4 | 44.8 | 41.5 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 20 | 5 | 42 | 31 | -7 | 112.6 | 24.7 | 568.1 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 151 | 175 | 143 | 92 | -2.5 | -5.3 | -12.0 | -47.4 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 37,719 | 38,082 | 59,398 | 41,763 | 27.6 | 57.5 | 15.8 | 9.7 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 3,953 | 1,103 | 2,089 | 1,041 | 12.2 | -47.2 | 8.9 | -5.7 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 98 | 137 | 113 | 105 | 22.4 | 15.3 | -9.1 | -23.4 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 33,021 | 32,186 | 46,933 | 32,647 | -1 | 42.1 | 22.2 | 1.4 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 16 | 27 | 21 | 27 | 9.3 | 31.3 | -17.8 | .0 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 5,368 | 7,312 | 34,887 | 20,490 | 3.0 | 549.9 | -16.3 | 180.2 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Hawaii are not available.

TABLE 7.—Retail Sales, United States and Hawaii Through Fourth Quarter, 1978

| | United States | | | Hawaii | | | U.S. | State | U.S. | State |
|------------------------|--|---------|----------|---------|----------|---------|-----------------------|----------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Millions of dollars, not seasonally adjusted | | | | | | | Percent change | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Hawaii Through Fourth Quarter, 1978

| | United States | | | Hawaii | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 675 | 657 | 727 | n.a. | 8.2 | 7.7 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 0 | 0 | 8 | n.a. | -9.5 | --- | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 0 | 0 | 2,685 | n.a. | -44.2 | --- | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 0 | 0 | 336 | n.a. | -38.4 | --- | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 1 | 0 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 0 | 0 | 3 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 0 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 0 | 0 | 3 | n.a. | -4.2 | --- | --- | --- |
| Commercial services | 238 | n.a. | 0 | 0 | 2 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

IDAHO

Highlights

1977:IV to 1978:IV

Personal income

- Up 17.1% vs. 12.6% in U.S., to \$6.4 billion
- Farm personal income up 89.8% vs. 26.3% in U.S.
- Payrolls up only 5.8% in manufacturing vs. 13.3% in U.S.

Employment

- Up 3.5% vs. 3.9% in U.S., to 386,000

Unemployment

- Up 2,000, to 22,000
- Rate up to 5.3% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 17.3% vs. 16.8% in U.S., to \$241.3 million
- Valuation of nonbuilding contracts up 91.3% vs. 22.2% in U.S.
- Number of dwelling-unit starts down 15.2% vs. near stability in U.S., to 2,411

TABLE 1.—Summary of Economic Indicators, United States and Idaho Through Fourth Quarter, 1978

| | United States | | | Idaho | | | U.S. | State | U.S. | State |
|---|--|------------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 5,146 | 5,452 | 6,053 | 6,385 | 12.4 | 17.6 | 12.6 | 17.1 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 3,225 | 3,414 | 3,755 | 3,863 | 12.1 | 16.5 | 12.6 | 13.2 |
| Civilian employment (thousands)..... | 92,442 | 96,010 | 385 | 373 | 411 | 386 | 4.1 | 6.6 | 3.9 | 3.5 |
| Unemployment (thousands) | 6,149 | 5,605 | 21 | 20 | 20 | 22 | -9.8 | -4.6 | -8.8 | 10.9 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 5.3 | 5.0 | 4.8 | 5.3 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 2,288 | 2,357 | 2,610 | n.a. | 16.3 | 14.1 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 3,115 | 3,288 | 3,502 | n.a. | 11.5 | 12.4 | --- | --- |
| Total valuation of construction contracts (thousands of dollars)..... | 38,913,111 | 45,459,773 | 184,452 | 205,767 | 217,418 | 241,305 | 14.5 | 17.9 | 16.8 | 17.3 |
| Dwelling units started (number) | 445,772 | 443,075 | 3,021 | 2,844 | 3,021 | 2,411 | 1.0 | .0 | -6 | -15.2 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 420 | 539 | 407 | n.a. | 8.2 | -3.1 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 2 | 3 | 7 | n.a. | -9.5 | 250.0 | --- | --- |
| Consumer Price Index (1967 = 100): | | | | | | | | | | |
| U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 17.1 percent from 1977:IV to 1978:IV, compared with a national increase of 12.6 percent (table 2). In 1978:IV, the State's personal income totaled \$6.4 billion, up \$933 million since 1977:IV. Idaho's increase in personal income, one of the largest in the Nation, would have been considerably smaller had it not been for an 89.8-percent increase in farm personal income, also one of the largest gains in the Nation. Nationally, farm personal income increased 26.3 percent during this timespan. Nonfarm personal income in the State increased 13.2 percent from year to year versus 12.3 percent nationally. Since the most recent national business cycle peak in 1973:IV, Idaho's nonfarm economy has grown much more rapidly than the Nation's; the increase in the State's nonfarm income was 38 percent more than nationally, ranking Idaho fourth among all States.

Wage and salary disbursements (payrolls) in the State increased 13.2 percent from 1977:IV to 1978:IV versus 12.6 percent nationally. In 1978:IV, they totaled \$3.9 billion, up \$449 million since 1977:IV.

Within Idaho's private service-type industry group, trade payrolls increased 17.9 percent versus 14.1 percent nationally. The State's increase accounted for almost 25 percent of the total payroll increase in Idaho from year to year. Payrolls in finance-insurance-real estate increased 22.1 percent in the State, the second largest increase in the Nation, after Wyoming's 23.0-percent increase. Nationally, payrolls in the finance group increased 13.2 percent. In transportation-communication-public utilities, payrolls increased 14.3 percent in Idaho and 11.3 percent nationally. In services, in contrast, the State's 12.5-percent payroll increase lagged the national increase.

Federal Government payrolls increased 15.7 percent in Idaho from year to year, over twice as much as nationally. Idaho's increase was the largest among all States. State and local government payrolls increased more in Idaho than nationally—8.3 percent versus 6.8 percent.

Payrolls in construction increased 20.3 percent in the State, a fraction more than nationally. In manufacturing, in contrast, State payroll increases sharply lagged national increases. Durables manufacturing payrolls increased 8.0 percent from year to year versus 15.2 percent nationally, and nondurables manufacturing payrolls increased only 2.5 percent versus 10.0 percent nationally. The increases in the State's durables and nondurables payrolls ranked 47th and 48th, respectively, in the Nation.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined only 3.5 percent in Idaho, the smallest decline in the Nation. Concurrently, unemployment insurance benefits throughout the Nation declined 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]

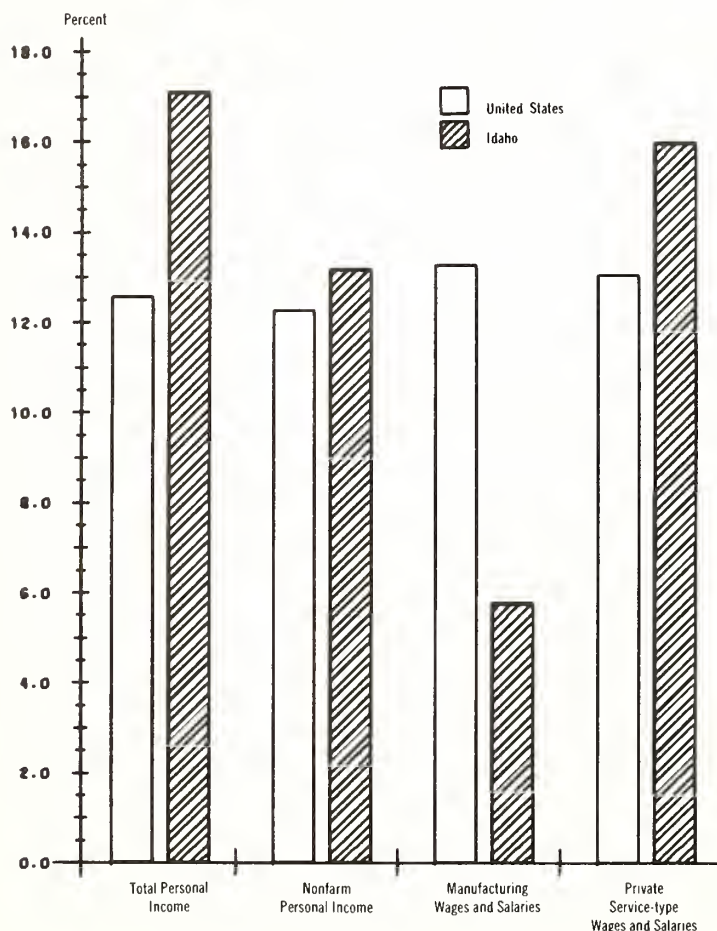


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

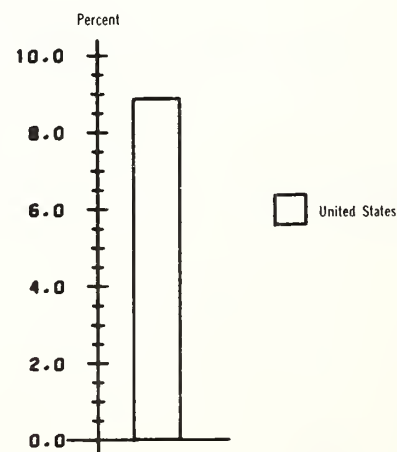


Chart 3.—Total Personal Income
[Seasonally adjusted]

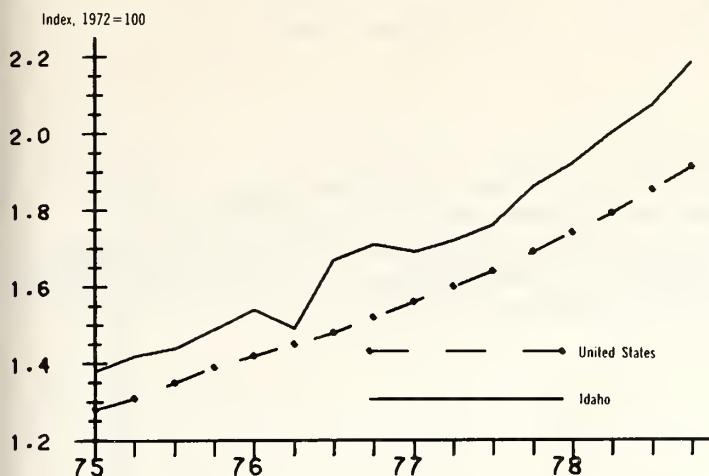


Chart 4.—Industrial Composition of Wages and Salaries: Idaho
[Seasonally adjusted]

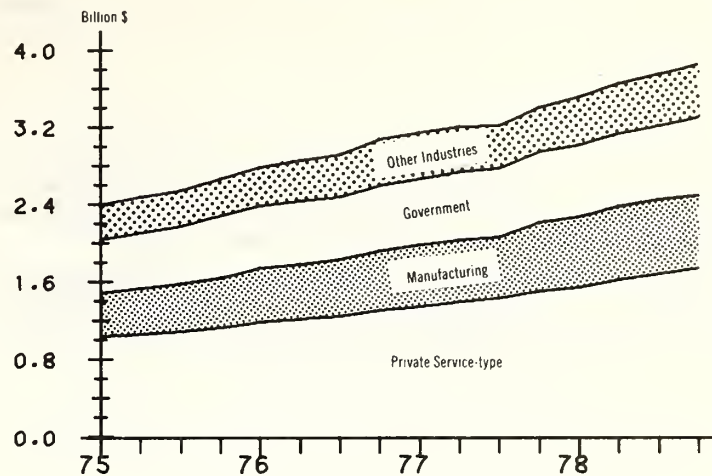


TABLE 2.—Personal Income, United States and Idaho Through Fourth Quarter, 1978

| | United States | | | Idaho | | | U.S. | State | U.S. | State |
|---|---------------|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 5,146 | 5,452 | 6,053 | 6,385 | 12.4 | 17.6 | 12.6 | 17.1 |
| Farm personal income | 31,224 | 39,451 | 221 | 277 | 363 | 526 | 47.9 | 64.0 | 26.3 | 89.8 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 4,924 | 5,175 | 5,690 | 5,859 | 11.9 | 15.6 | 12.3 | 13.2 |
| Total personal income | 1,583,508 | 1,782,519 | 5,146 | 5,452 | 6,053 | 6,385 | 12.4 | 17.6 | 12.6 | 17.1 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,225 | 3,414 | 3,755 | 3,863 | 12.1 | 16.5 | 12.6 | 13.2 |
| Other labor income | 96,016 | 111,719 | 282 | 306 | 348 | 354 | 17.0 | 23.6 | 16.4 | 16.0 |
| Proprietors' income | 105,953 | 125,995 | 460 | 529 | 654 | 828 | 21.5 | 42.2 | 18.9 | 56.6 |
| Farm | 23,636 | 31,044 | 87 | 146 | 224 | 381 | 66.6 | 156.9 | 31.3 | 160.8 |
| Nonfarm | 82,317 | 94,951 | 373 | 383 | 430 | 447 | 12.8 | 15.3 | 15.3 | 16.9 |
| Dividends, interest, and rent | 214,992 | 242,442 | 662 | 679 | 745 | 767 | 12.3 | 12.5 | 12.8 | 12.9 |
| Transfer payments | 215,944 | 233,750 | 706 | 726 | 780 | 800 | 8.8 | 10.4 | 8.2 | 10.2 |
| State unemployment insurance benefits | 11,128 | 7,753 | 27 | 34 | 26 | 33 | -24.0 | -2.2 | -30.3 | -3.5 |
| Less: personal contributions | 62,212 | 71,610 | 223 | 236 | 269 | 271 | 14.8 | 20.4 | 15.1 | 14.8 |
| Plus: residence adjustment | -401 | -473 | 34 | 35 | 40 | 43 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,225 | 3,414 | 3,755 | 3,863 | 12.1 | 16.5 | 12.6 | 13.2 |
| Farm | 7,176 | 7,939 | 131 | 128 | 135 | 141 | 8.5 | 3.4 | 10.6 | 10.8 |
| Nonfarm | 1,006,040 | 1,132,757 | 3,094 | 3,286 | 3,621 | 3,722 | 12.1 | 17.0 | 12.6 | 13.3 |
| Mining | 14,048 | 18,813 | 49 | 53 | 71 | 71 | 26.5 | 43.6 | 33.9 | 33.4 |
| Construction | 55,648 | 66,858 | 247 | 261 | 307 | 313 | 19.1 | 24.3 | 20.1 | 20.3 |
| Manufacturing | 276,112 | 312,970 | 636 | 708 | 764 | 749 | 12.1 | 20.2 | 13.3 | 5.8 |
| Durable goods | 176,216 | 203,053 | 377 | 431 | 460 | 466 | 13.7 | 22.0 | 15.2 | 8.0 |
| Nondurable goods | 99,896 | 109,917 | 258 | 276 | 304 | 283 | 9.4 | 17.7 | 10.0 | 2.5 |
| Private service-type | 455,764 | 515,348 | 1,438 | 1,509 | 1,691 | 1,750 | 12.8 | 17.6 | 13.1 | 16.0 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 250 | 262 | 290 | 300 | 10.4 | 16.2 | 11.3 | 14.3 |
| Wholesale and retail trade | 170,888 | 195,035 | 594 | 617 | 716 | 727 | 13.6 | 20.6 | 14.1 | 17.9 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 136 | 148 | 172 | 181 | 14.1 | 26.8 | 13.2 | 22.1 |
| Services | 153,840 | 173,396 | 459 | 482 | 513 | 542 | 12.6 | 11.9 | 12.7 | 12.5 |
| Government | 201,252 | 215,083 | 705 | 734 | 763 | 815 | 7.4 | 8.3 | 6.9 | 10.9 |
| Federal | 68,176 | 73,003 | 247 | 263 | 279 | 304 | 7.3 | 13.3 | 7.1 | 15.7 |
| State and local | 133,076 | 142,080 | 458 | 472 | 484 | 511 | 7.5 | 5.7 | 6.8 | 8.3 |
| Other | 3,216 | 3,685 | 20 | 21 | 24 | 24 | 18.7 | 20.6 | 14.6 | 14.5 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Idaho Through Fourth Quarter, 1978¹

| | United States | | | Idaho | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Idaho's **civilian labor force** increased 3.9 percent versus 3.1 percent nationally (table 4). **Total employment** increased 3.5 percent versus 3.9 percent nationally, to 386,000.

With the labor force increasing by 15,000 and employment increasing by 13,000, the number of **unemployed** increased by 2,000, to 22,000. Idaho's **unemployment rate** increased 0.3 percentage point, to 5.3 percent of the

labor force. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

In December 1978, the preliminary unemployment rate in Boise City, the State's major metropolitan area, was 4.3 percent; statewide, the unemployment rate was 6.5 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Idaho

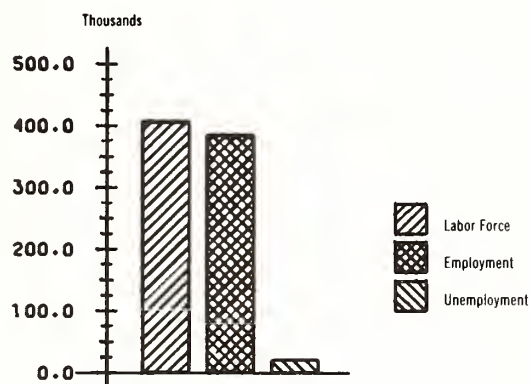


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

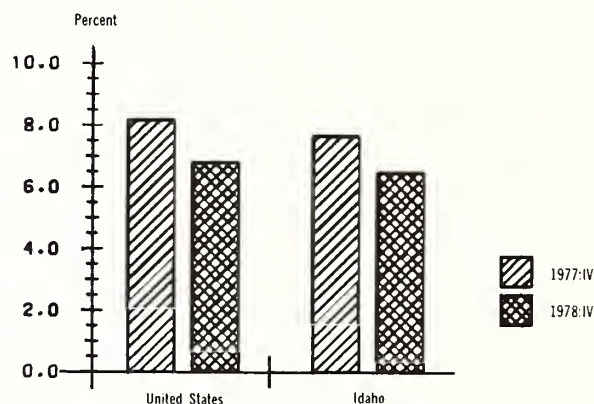


TABLE 4.—Labor Force, United States and Idaho Through Fourth Quarter, 1978

| | United States | | | Idaho | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 315 | 317 | 338 | 339 | 4.3 | 7.2 | 4.2 | 6.8 |
| Mining | 787 | 899 | 3 | 4 | 4 | 4 | 8.2 | 14.7 | 14.2 | 5.6 |
| Construction | 4,032 | 4,488 | 22 | 20 | 23 | 21 | 10.4 | 8.3 | 11.3 | 7.1 |
| Manufacturing | 19,986 | 20,722 | 55 | 56 | 60 | 59 | 3.1 | 7.6 | 3.7 | 5.4 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 19 | 19 | 20 | 20 | 3.8 | 5.9 | 4.4 | 7.0 |
| Wholesale and retail trade | 19,152 | 20,015 | 77 | 80 | 82 | 84 | 5.3 | 6.6 | 4.5 | 5.2 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 17 | 17 | 22 | 22 | 4.8 | 29.9 | -2.0 | 30.8 |
| Services | 15,539 | 16,215 | 54 | 54 | 58 | 58 | 4.6 | 7.9 | 4.4 | 8.0 |
| Government | 15,434 | 15,656 | 69 | 69 | 69 | 71 | 2.1 | 6 | 1.4 | 2.9 |
| Civilian labor force ³ | 98,591 | 101,615 | 407 | 393 | 431 | 408 | 3.2 | 6.0 | 3.1 | 3.9 |
| Total employed .. | 92,442 | 96,010 | 385 | 373 | 411 | 386 | 4.1 | 6.6 | 3.9 | 3.5 |
| Total unemployed .. | 6,149 | 5,605 | 21 | 20 | 20 | 22 | -9.8 | -4.6 | -8.8 | 10.9 |
| Percent unemployed | 6.2 | 5.5 | 5.3 | 5.0 | 4.8 | 5.3 | — | — | — | — |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

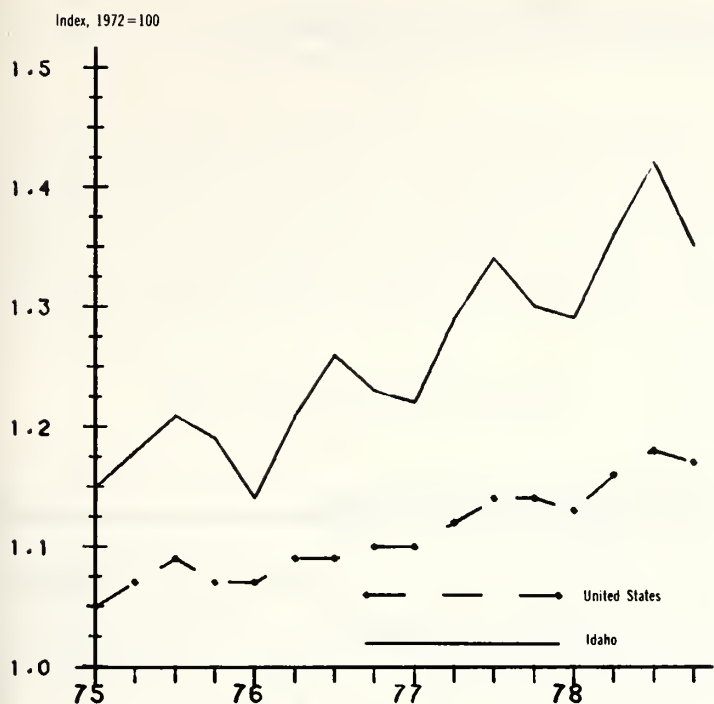


Chart 8.—Civilian Employment

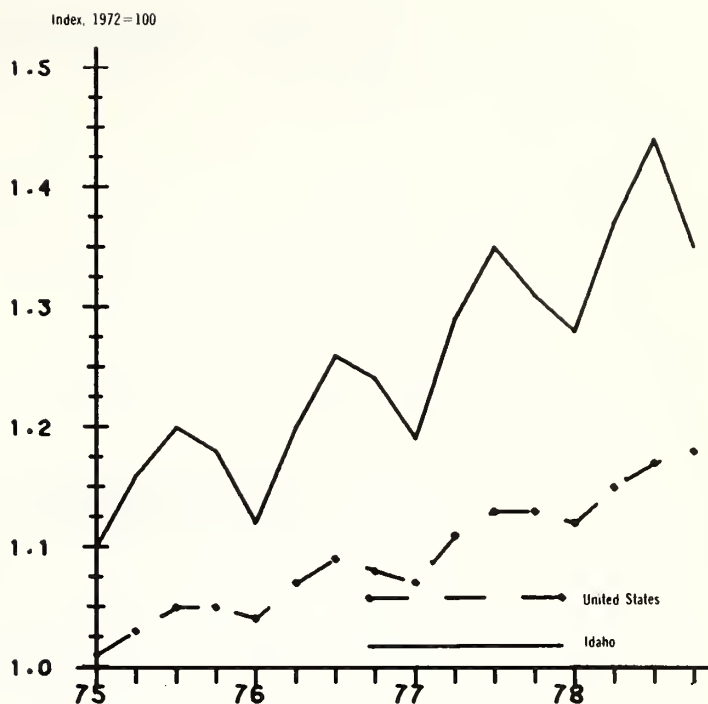


Chart 9.—Unemployment Rate

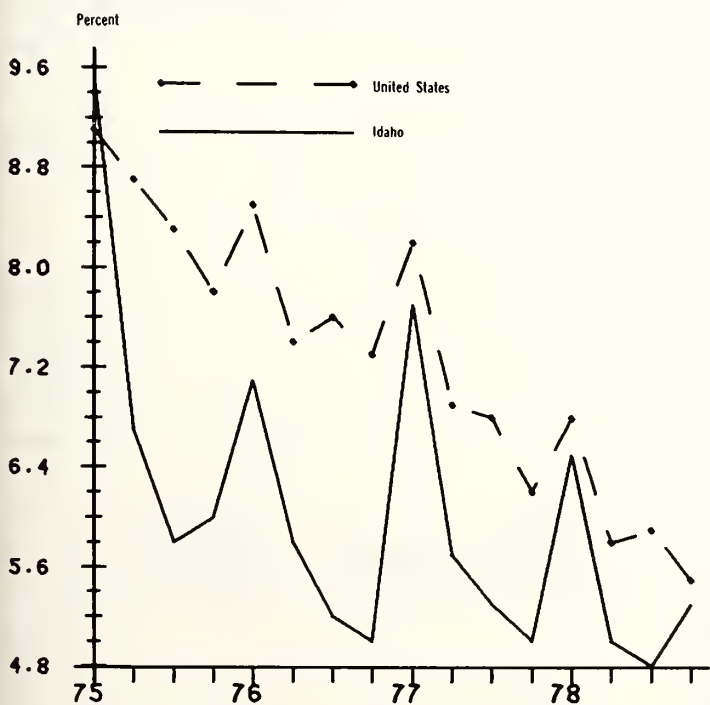
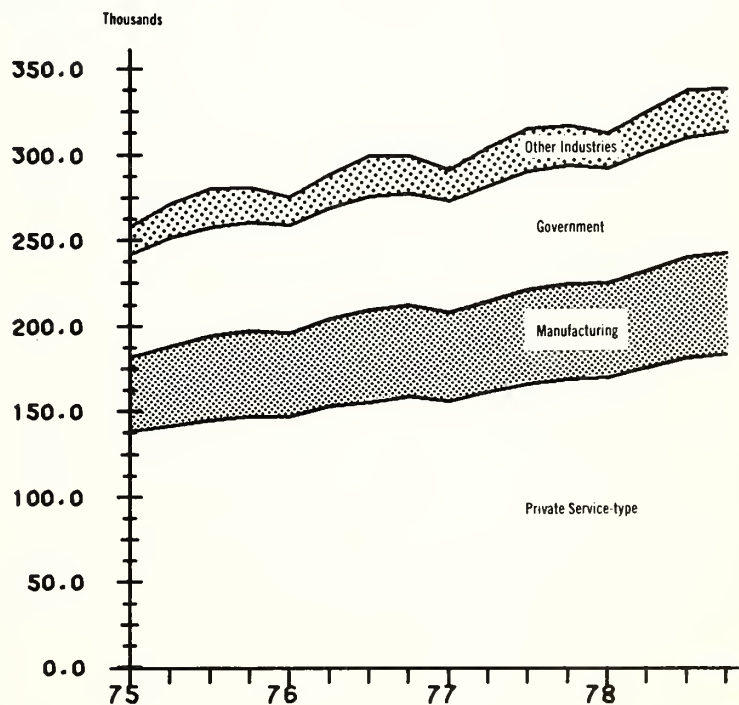


Chart 10.—Industrial Composition of Nonagricultural Employment: Idaho



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Idaho Through Fourth Quarter, 1978

| | United States | | | Idaho | | | U.S. | State | U.S. | State |
|------------------------------------|---|-------------|--------------|--------------|--------------|-------------|-----------------------------|----------------------|---------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:IV— 1978:IV | 1977:IV— 1978:IV |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 2,288 | 2,357 | 2,610 | n.a. | 16.3 | 14.1 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 555 | 604 | 673 | n.a. | 14.2 | 21.2 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 637 | 655 | 721 | n.a. | 20.2 | 13.3 | --- | --- |
| Real estate | 177,935 | n.a. | 631 | 656 | 748 | n.a. | 19.9 | 18.4 | --- | --- |
| Residential..... | 101,236 | n.a. | 425 | 444 | 511 | n.a. | 21.3 | 20.2 | --- | --- |
| Farms..... | 7,731 | n.a. | 15 | 14 | 13 | n.a. | 10.7 | -8.5 | --- | --- |
| Other | 68,968 | n.a. | 192 | 198 | 223 | n.a. | 19.0 | 16.5 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 421 | 384 | 407 | n.a. | 6.8 | -3.4 | --- | --- |
| Other..... | 69,947 | n.a. | 44 | 58 | 61 | n.a. | 8.0 | 38.0 | --- | --- |
| Total deposits | 925,511 | n.a. | 3,115 | 3,288 | 3,502 | n.a. | 11.5 | 12.4 | --- | --- |
| Demand | 377,683 | n.a. | 1,060 | 1,181 | 1,171 | n.a. | 10.2 | 10.5 | --- | --- |
| Time and savings | 547,828 | n.a. | 2,055 | 2,108 | 2,331 | n.a. | 12.3 | 13.4 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 17.3 percent (\$35.5 million), to \$241.3 million (table 6). The national increase was 16.8 percent.

National construction costs increased about 13 percent during the same timespan; if this increase is representative of the gain throughout the State, the real increase in the total valuation of contracts in Idaho was about 4 percent, the same as nationally.

Reflecting a \$40 million contract in 1978:IV for the construction of an industrial waste disposal system in Bonneville County, the valuation of nonbuilding contracts increased 91.3 percent versus 22.2 percent nationally. Idaho's increase was one of the largest in the Nation. Without the Bonneville County contract, nonbuilding contracts in the State would have declined 60 percent in valuation from year to year. Street and highway contracts, a major component of nonbuilding contracts, declined 3.4 percent in valuation, compared with a 16.3-percent national decline.

Residential housekeeping contracts increased 8.4 percent in valuation versus 15.6 percent nationally. A \$12 million contract in 1977:IV for the construction of one-family houses in Ada County raised the valuation of residential housekeeping contracts to an unusually high level, thereby distorting the subsequent year-to-year change. Without the Ada County contract, the valuation of residential housekeeping contracts in the State would have increased 27.2 percent. The number of dwelling units started declined 15.2 percent, or 433 units, to 2,411. Idaho's decline was one of the largest in the Nation. Nationally, the number of dwelling units started was almost unchanged at a high level. Residential housekeeping additions and alterations increased 21.0 percent in valuation versus 14.6 percent nationally.

Nonresidential contracts declined 2.7 percent in valuation, compared with a 15.8-percent national increase.

Chart 14.—Construction Contracts—Total Valuation

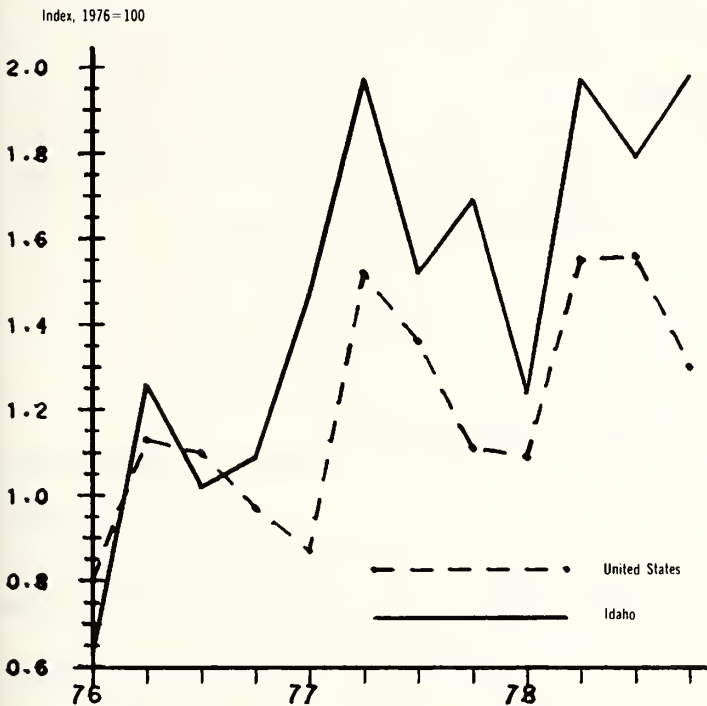


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Idaho

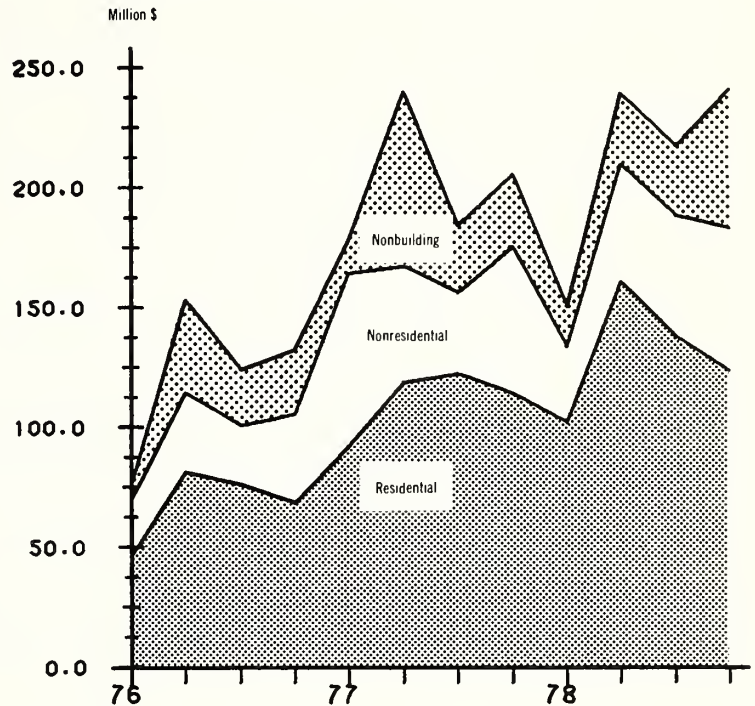


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

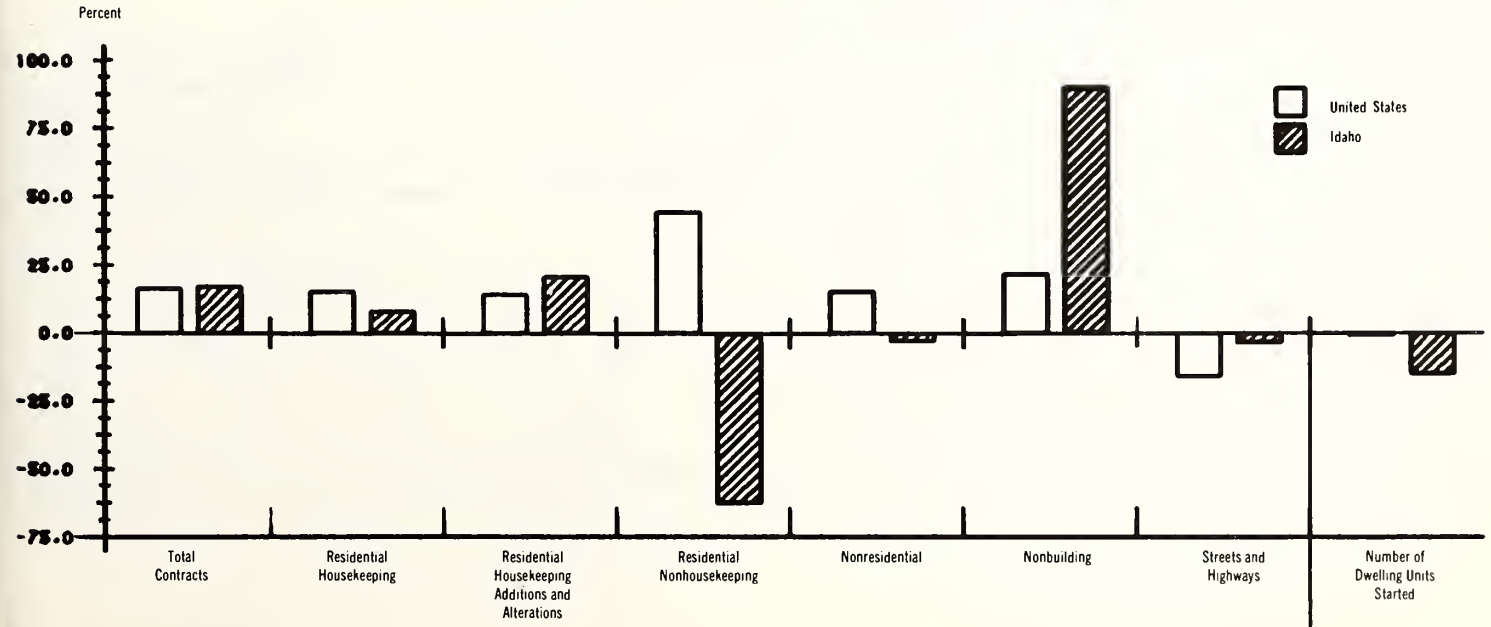


TABLE 6.—Construction Contracts, United States and Idaho Through Fourth Quarter, 1978¹

| | United States | | | Idaho | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|---------|----------|---------|-----------------------------|--------|---------------------|--------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 184,452 | 205,767 | 217,418 | 241,305 | 14.5 | 17.9 | 16.8 | 17.3 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars)..... | 7,707,987 | 8,832,353 | 31,258 | 27,508 | 33,345 | 33,298 | 16.8 | 6.7 | 14.6 | 21.0 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 358 | 390 | 356 | 285 | 4.4 | — .6 | — 9.3 | — 26.9 |
| Valuation (thousands of dollars)..... | 31,205,124 | 36,627,420 | 153,194 | 178,259 | 184,073 | 208,007 | 14.0 | 20.2 | 17.4 | 16.7 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 4,641 | 4,931 | 5,310 | 5,412 | 10.8 | 14.4 | 10.2 | 9.8 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 173 | 159 | 165 | 153 | — 5.1 | — 4.6 | — 4.3 | — 3.8 |
| Number of dwelling units | 445,772 | 443,075 | 3,021 | 2,844 | 3,021 | 2,411 | 1.0 | .0 | — .6 | — 15.2 |
| Valuation (thousands of dollars)..... | 14,879,596 | 17,198,518 | 90,574 | 81,350 | 103,222 | 88,212 | 15.3 | 14.0 | 15.6 | 8.4 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 3,460 | 3,153 | 3,786 | 3,195 | 10.3 | 9.4 | 10.7 | 1.3 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 3 | 5 | 2 | 2 | — 10.0 | — 33.3 | — .4 | — 60.0 |
| Valuation (thousands of dollars)..... | 338,637 | 490,279 | 800 | 5,211 | 1,290 | 1,932 | 9.4 | 61.3 | 44.8 | — 62.9 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 20 | 178 | 52 | 0 | — .7 | 166.3 | 24.7 | — — — |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 106 | 126 | 110 | 90 | — 2.5 | 3.8 | — 12.0 | — 28.6 |
| Valuation (thousands of dollars)..... | 9,334,415 | 10,810,769 | 33,327 | 61,236 | 50,249 | 59,585 | 27.6 | 50.8 | 15.8 | — 2.7 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 1,161 | 1,601 | 1,472 | 2,217 | 12.2 | 26.7 | 8.9 | 38.5 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 76 | 100 | 79 | 40 | 22.4 | 3.9 | — 9.1 | — 60.0 |
| Valuation (thousands of dollars)..... | 6,652,476 | 8,127,854 | 28,493 | 30,462 | 29,312 | 58,278 | — .1 | 2.9 | 22.2 | 91.3 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 41 | 39 | 45 | 15 | 9.3 | 9.8 | — 17.8 | — 61.5 |
| Valuation (thousands of dollars)..... | 2,308,681 | 1,931,341 | 17,560 | 14,284 | 19,705 | 13,802 | 3.0 | 12.2 | — 16.3 | — 3.4 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Idaho are not available.

TABLE 7.—Retail Sales, United States and Idaho Through Fourth Quarter, 1978

| | United States | | | Idaho | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|---------|----------|---------|------------------------|-------|----------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III – 1978:III | | 1977:IV – 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Idaho Through Fourth Quarter, 1978

| | United States | | | Idaho | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 420 | 539 | 407 | n.a. | 8.2 | -3.1 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 2 | 3 | 7 | n.a. | -9.5 | 250.0 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 105 | 179 | 622 | n.a. | -44.2 | 492.4 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 53 | 60 | 89 | n.a. | -38.4 | 67.9 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 1 | 1 | 0 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 0 | 0 | 4 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 0 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 1 | 0 | 2 | n.a. | -4.2 | 100.0 | --- | --- |
| Commercial services | 238 | n.a. | 0 | 2 | 1 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

ILLINOIS

Highlights

1977:IV to 1978:IV

- Personal income

—Up 10.3%, 2.3 percentage points less than in U.S.
—Weakness in farming, manufacturing, and private service-type industries
- Consumer prices

—Up 9.9% in Chicago vs. 8.9% in U.S.
- Employment

—Up 3.2% vs. 3.9% in U.S., to 5.1 million
- Unemployment

—Down 19,000, to 293,000
—Rate down to 5.4% of labor force vs. 5.5% U.S. rate
- Construction

—Total valuation of contracts up 2.9% vs. 16.8% in U.S., to \$2.0 billion
—Most major construction categories weak in State
—Number of dwelling-unit starts down 11.8% vs. little change in U.S., to 17,807
- Retail sales

—Up 10.0% vs. 11.2% in U.S., to \$12.3 billion

TABLE 1.—Summary of Economic Indicators, United States and Illinois Through Fourth Quarter, 1978

| | United States | | | Illinois | | | U.S. | State | U.S. | State |
|--|--|------------|-----------|-----------|-----------|-----------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 90,041 | 92,277 | 99,795 | 101,770 | 12.4 | 10.8 | 12.6 | 10.3 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 58,367 | 59,537 | 64,729 | 66,118 | 12.1 | 10.9 | 12.6 | 11.1 |
| Civilian employment (thousands) | 92,442 | 96,010 | 4,961 | 4,956 | 5,076 | 5,114 | 4.1 | 2.3 | 3.9 | 3.2 |
| Unemployment (thousands) | 6,149 | 5,605 | 328 | 312 | 314 | 293 | −9.8 | −4.3 | −8.8 | −6.3 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 6.2 | 5.9 | 5.8 | 5.4 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 45,781 | 47,674 | 52,864 | n.a. | 16.3 | 15.5 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 65,019 | 68,837 | 71,542 | n.a. | 11.5 | 10.0 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 2,195,632 | 1,896,913 | 2,378,424 | 1,952,855 | 14.5 | 8.3 | 16.8 | 2.9 |
| Dwelling units started (number) | 445,772 | 443,075 | 23,439 | 20,185 | 23,167 | 17,807 | 1.0 | −1.2 | −.6 | −11.8 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 9,822 | 11,199 | 10,732 | 12,321 | 10.3 | 9.3 | 11.2 | 10.0 |
| New business incorporations (number)..... | 109,411 | n.a. | 4,253 | 4,434 | 4,781 | n.a. | 8.2 | 12.4 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 99 | 93 | 95 | n.a. | −9.5 | −4.0 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Chicago | --- | --- | 177.4 | 179.4 | 191.8 | 197.1 | --- | 8.1 | --- | 9.9 |

n.a.: Data not available.
Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.3 percent from 1977:IV to 1978:IV, 2.3 percentage points less than nationally (table 2). In 1978:IV, Illinois' total personal income was \$101.8 billion, for an increase of \$9.5 billion since 1977:IV. Among all States, Illinois' increase ranked 45th. Changes in nearly all major income components were below those registered in the corresponding components nationally.

Since the last national business cycle peak (1973:IV), Illinois' economy has increased slowly; the increase in nonfarm income was 14 percent less than nationally, ranking Illinois 43rd among all States.

Consumer prices from 1977:IV to 1978:IV increased 9.9 percent in the Chicago metropolitan area versus a national increase of 8.9 percent (table 3). If Chicago's index is used as an indicator for price movements

in the State, real total personal income in Illinois increased only 0.4 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 11.1 percent in Illinois versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$66.1 billion, up \$6.6 billion since 1977:IV. Among all States, Illinois' increase ranked 42nd.

Manufacturing payrolls increased 9.4 percent, 3.9 percentage points less than in the Nation. Among all States, Illinois' increase ranked 46th. While weakness extended to both durable goods and nondurable goods manufacturing, the lag was particularly pronounced in nondurables, up only 5.8 percent versus 10.0 percent nationally.

Private service-type payrolls were also weak in the State. The lag was particularly pronounced in trade payrolls—up 9.7 percent in Illinois and 14.1 percent in the Nation. In sharp contrast, Illinois' payroll increase in finance-insurance-real estate was 17.5 percent versus a national increase of 13.2 percent; the State's increase ranked ninth among all States. Finance-insurance-real estate payrolls accounted for 3.9 percent of total personal income in Illinois in 1978:IV, compared with a weight of 3.5 percent in the Nation.

State and local government payrolls increased more in Illinois than in the Nation—11.3 percent versus 6.8 percent. The increase in Federal Government payrolls, in contrast, was smaller in Illinois than in the Nation. Construction payrolls increased 14.5 percent in the State versus 20.1 percent in the Nation.

Unemployment insurance benefits declined about 30 percent in both the State and the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]

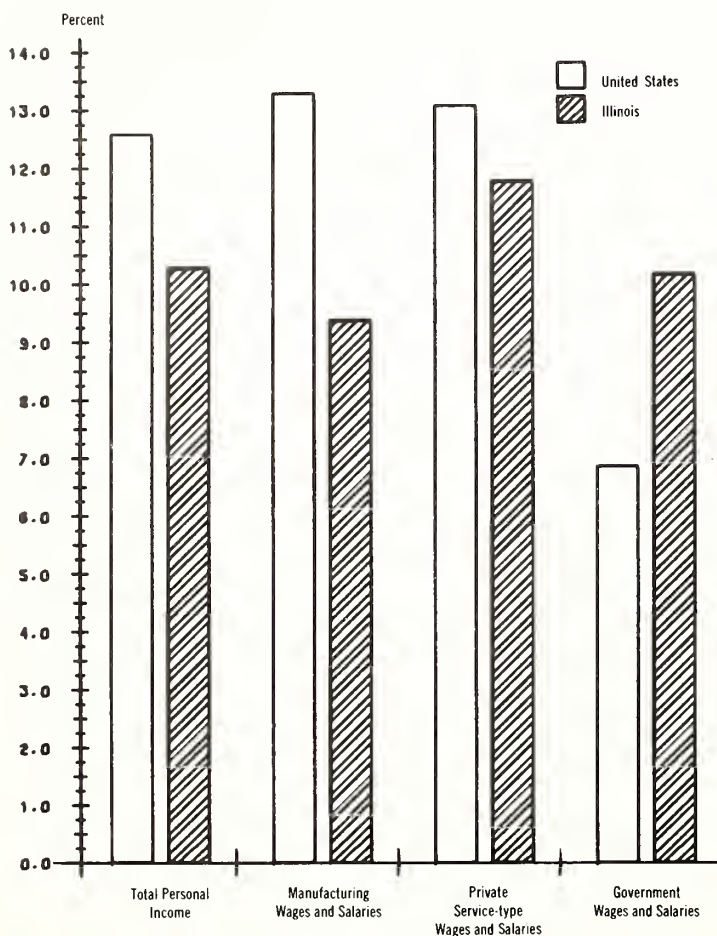


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

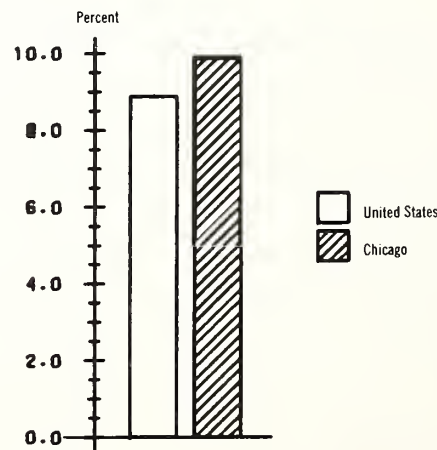


Chart 3.—Total Personal Income
[Seasonally adjusted]

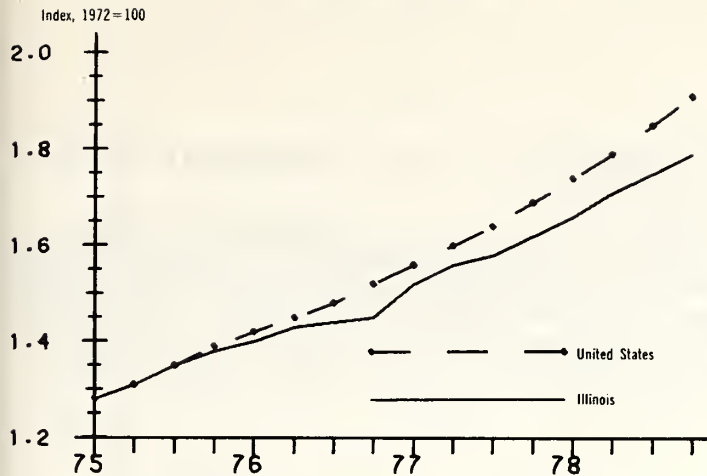


Chart 4.—Industrial Composition of Wages and Salaries: Illinois
[Seasonally adjusted]

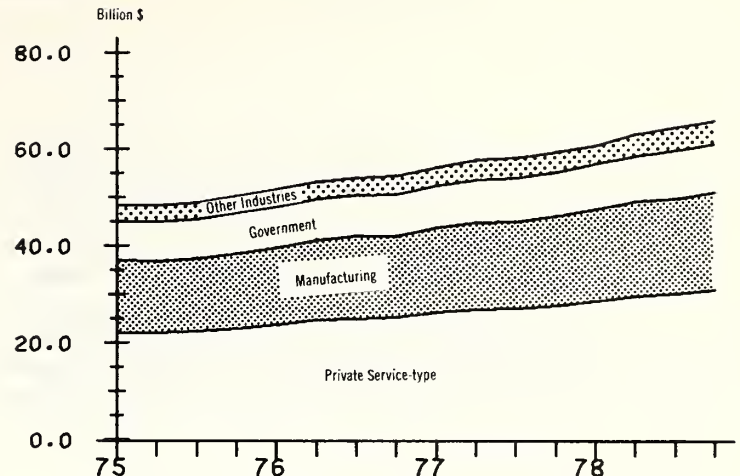


TABLE 2.—Personal Income, United States and Illinois Through Fourth Quarter, 1978

| | United States | | | Illinois | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 90,041 | 92,277 | 99,795 | 101,770 | 12.4 | 10.8 | 12.6 | 10.3 |
| Farm personal income | 31,224 | 39,451 | 1,393 | 1,805 | 1,729 | 1,589 | 47.9 | 24.1 | 26.3 | -12.0 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 88,648 | 90,473 | 98,066 | 100,182 | 11.9 | 10.6 | 12.3 | 10.7 |
| Total personal income | 1,583,508 | 1,782,519 | 90,041 | 92,277 | 99,795 | 101,770 | 12.4 | 10.8 | 12.6 | 10.3 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 58,367 | 59,537 | 64,729 | 66,118 | 12.1 | 10.9 | 12.6 | 11.1 |
| Other labor income | 96,016 | 111,719 | 5,472 | 5,707 | 6,336 | 6,487 | 17.0 | 15.8 | 16.4 | 13.7 |
| Proprietors' income | 105,953 | 125,995 | 5,407 | 5,867 | 6,157 | 6,154 | 21.5 | 13.9 | 18.9 | 4.9 |
| Farm | 23,636 | 31,044 | 1,112 | 1,512 | 1,414 | 1,257 | 66.6 | 27.2 | 31.3 | -16.9 |
| Nonfarm | 82,317 | 94,951 | 4,295 | 4,355 | 4,743 | 4,897 | 12.8 | 10.4 | 15.3 | 12.5 |
| Dividends, interest, and rent | 214,992 | 242,442 | 12,688 | 12,956 | 14,020 | 14,372 | 12.3 | 10.5 | 12.8 | 10.9 |
| Transfer payments | 215,944 | 233,750 | 11,097 | 11,254 | 11,932 | 12,034 | 8.8 | 7.5 | 8.2 | 6.9 |
| State unemployment insurance benefits | 11,128 | 7,753 | 935 | 903 | 720 | 637 | -24.0 | -22.9 | -30.3 | -29.5 |
| Less: personal contributions | 62,212 | 71,610 | 3,342 | 3,399 | 3,767 | 3,814 | 14.8 | 12.7 | 15.1 | 12.2 |
| Plus: residence adjustment | -401 | -473 | 352 | 355 | 389 | 419 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 58,367 | 59,537 | 64,729 | 66,118 | 12.1 | 10.9 | 12.6 | 11.1 |
| Farm | 7,176 | 7,939 | 256 | 267 | 286 | 301 | 8.5 | 11.8 | 10.6 | 13.1 |
| Nonfarm | 1,006,040 | 1,132,757 | 58,111 | 59,271 | 64,443 | 65,817 | 12.1 | 10.9 | 12.6 | 11.0 |
| Mining | 14,048 | 18,813 | 569 | 512 | 620 | 624 | 26.5 | 8.9 | 33.9 | 21.9 |
| Construction | 55,648 | 66,858 | 3,182 | 3,237 | 3,704 | 3,706 | 19.1 | 16.4 | 20.1 | 14.5 |
| Manufacturing | 276,112 | 312,970 | 18,030 | 18,461 | 19,710 | 20,204 | 12.1 | 9.3 | 13.3 | 9.4 |
| Durable goods | 176,216 | 203,053 | 12,168 | 12,520 | 13,510 | 13,922 | 13.7 | 11.0 | 15.2 | 11.2 |
| Nondurable goods | 99,896 | 109,917 | 5,862 | 5,941 | 6,201 | 6,283 | 9.4 | 5.8 | 10.0 | 5.8 |
| Private service-type | 455,764 | 515,348 | 27,228 | 27,846 | 30,331 | 31,123 | 12.8 | 11.4 | 13.1 | 11.8 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 4,734 | 4,851 | 5,128 | 5,352 | 10.4 | 8.3 | 11.3 | 10.3 |
| Wholesale and retail trade | 170,888 | 195,035 | 10,537 | 10,775 | 11,607 | 11,825 | 13.6 | 10.2 | 14.1 | 9.7 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 3,423 | 3,411 | 3,925 | 4,008 | 14.1 | 14.6 | 13.2 | 17.5 |
| Services | 153,840 | 173,396 | 8,534 | 8,810 | 9,672 | 9,938 | 12.6 | 13.3 | 12.7 | 12.8 |
| Government | 201,252 | 215,083 | 9,008 | 9,117 | 9,965 | 10,048 | 7.4 | 10.6 | 6.9 | 10.2 |
| Federal | 68,176 | 73,003 | 2,105 | 2,197 | 2,264 | 2,345 | 7.3 | 7.6 | 7.1 | 6.8 |
| State and local | 133,076 | 142,080 | 6,903 | 6,920 | 7,701 | 7,703 | 7.5 | 11.6 | 6.8 | 11.3 |
| Other | 3,216 | 3,685 | 94 | 98 | 112 | 111 | 18.7 | 18.7 | 14.6 | 13.3 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Illinois Through Fourth Quarter, 1978¹

| | United States | | | Illinois | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|----------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Chicago | --- | --- | 177.4 | 179.4 | 191.8 | 197.1 | --- | 8.1 | --- | 9.9 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NDTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the **civilian labor force** increased 2.6 percent, 0.5 percentage point less than in the Nation (table 4). **Total employment** in Illinois increased 3.2 percent, 0.7 percentage point less than in the Nation, to 5.1 million. The State's employment increase was the second smallest in the Great Lakes region and was exceeded in 33 States.

With the labor force increasing 139,000 and total employment increasing 158,000, **unemployment** declined 19,000, to 293,000. In 1978:IV, the **unemployment rate** in Illinois was 5.4 percent, fractionally less than the national average rate. Illinois' unemployment rate declined

0.5 percentage point from year to year versus a decline in the Nation of 0.7 percentage point.

In December 1978, the preliminary unemployment rate in Illinois was 5.7 percent, up fractionally since December 1977. December 1978 rates in major metropolitan areas of the State ranged from 4.5 percent in Davenport-Rock Island-Moline and 4.6 percent in Bloomington-Normal to 6.4 percent in Decatur. The rate in Chicago, which accounts for more than three-fifths of Illinois' labor force, was 5.3 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Illinois

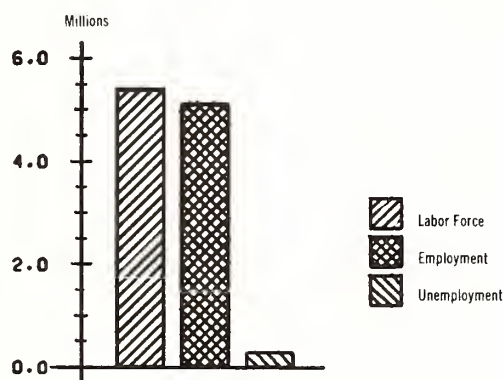


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

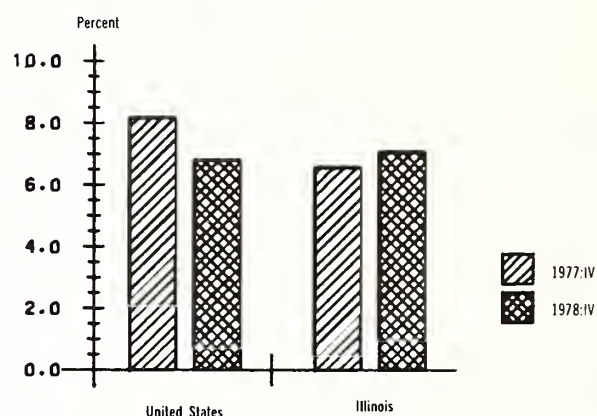


TABLE 4.—Labor Force, United States and Illinois Through Fourth Quarter, 1978

| | United States | | | Illinois | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 4,649 | 4,663 | 4,759 | 4,789 | 4.3 | 2.4 | 4.2 | 2.7 |
| Mining | 787 | 899 | 28 | 23 | 27 | 26 | 8.2 | -5.3 | 14.2 | 12.4 |
| Construction | 4,032 | 4,488 | 192 | 180 | 198 | 187 | 10.4 | 3.2 | 11.3 | 4.2 |
| Manufacturing | 19,986 | 20,722 | 1,243 | 1,242 | 1,240 | 1,255 | 3.1 | -2 | 3.7 | 1.0 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 276 | 278 | 283 | 286 | 3.8 | 2.5 | 4.4 | 3.1 |
| Wholesale and retail trade | 19,152 | 20,015 | 1,058 | 1,080 | 1,070 | 1,091 | 5.3 | 1.2 | 4.5 | 1.0 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 272 | 271 | 282 | 281 | 4.8 | 3.4 | -2.0 | 3.8 |
| Services | 15,539 | 16,215 | 862 | 852 | 891 | 884 | 4.6 | 3.3 | 4.4 | 3.6 |
| Government | 15,434 | 15,656 | 718 | 737 | 769 | 779 | 2.1 | 7.1 | 1.4 | 5.7 |
| Civilian labor force ³ | 98,591 | 101,615 | 5,289 | 5,268 | 5,391 | 5,407 | 3.2 | 1.9 | 3.1 | 2.6 |
| Total employed | 92,442 | 96,010 | 4,961 | 4,956 | 5,076 | 5,114 | 4.1 | 2.3 | 3.9 | 3.2 |
| Total unemployed | 6,149 | 5,605 | 328 | 312 | 314 | 293 | -9.8 | -4.3 | -8.8 | -6.3 |
| Percent unemployed | 6.2 | 5.5 | 6.2 | 5.9 | 5.8 | 5.4 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

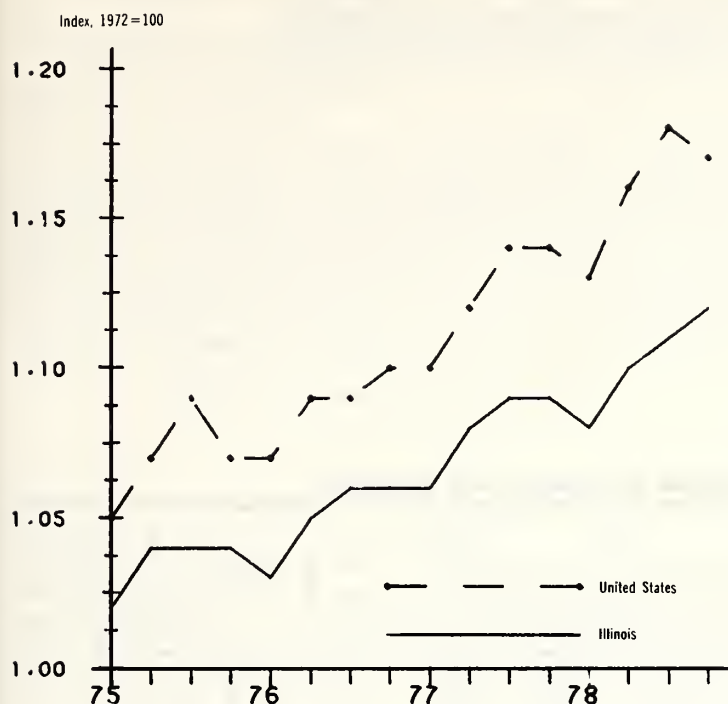


Chart 8.—Civilian Employment

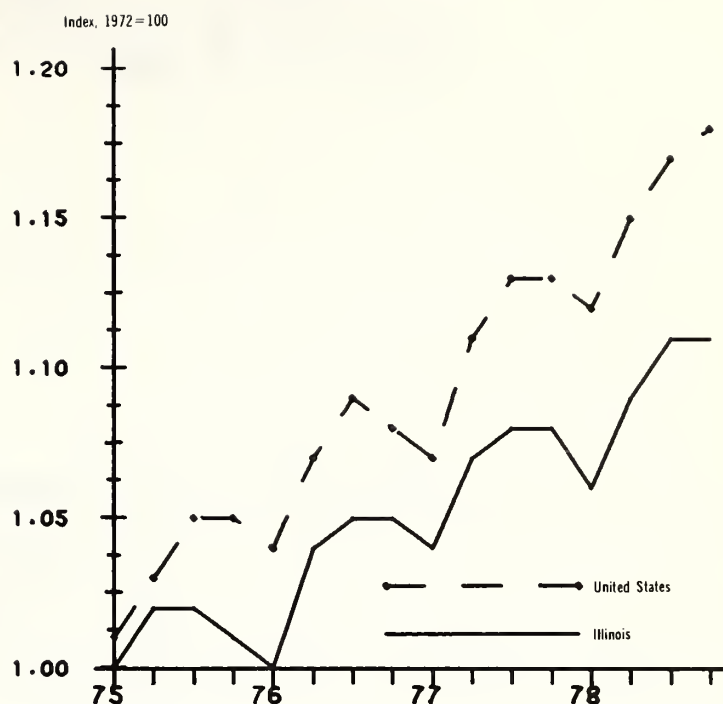


Chart 9.—Unemployment Rate

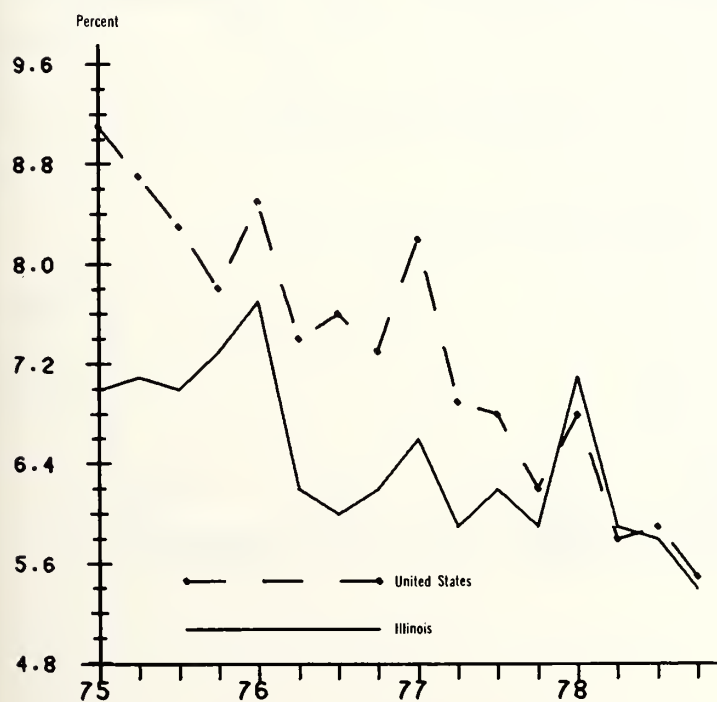
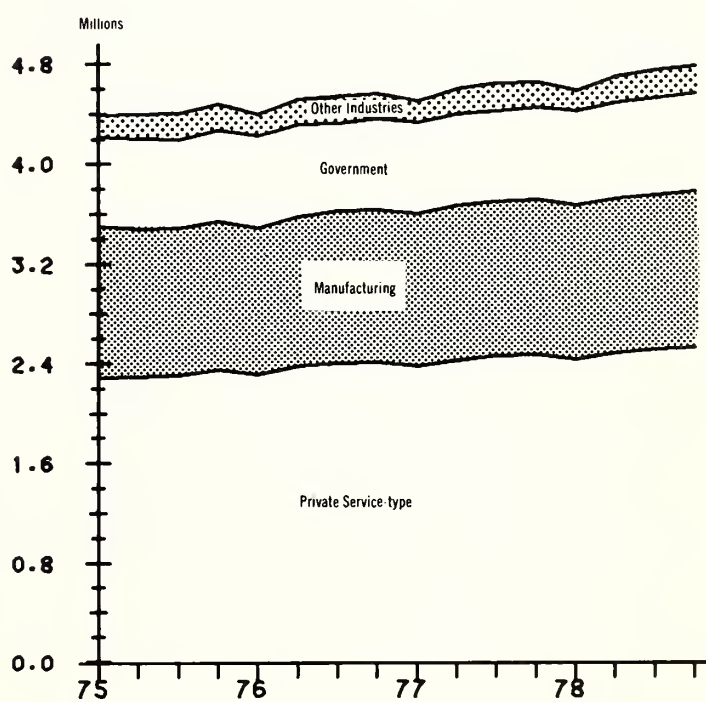


Chart 10.—Industrial Composition of Nonagricultural Employment: Illinois



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Illinois Through Fourth Quarter, 1978

| | United States | | | Illinois | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 45,781 | 47,674 | 52,864 | n.a. | 16.3 | 15.5 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 17,046 | 17,755 | 20,150 | n.a. | 14.2 | 18.2 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 8,119 | 8,434 | 9,510 | n.a. | 20.2 | 17.1 | --- | --- |
| Real estate | 177,935 | n.a. | 10,718 | 11,339 | 13,311 | n.a. | 19.9 | 24.2 | --- | --- |
| Residential..... | 101,236 | n.a. | 6,511 | 6,877 | 8,138 | n.a. | 21.3 | 25.0 | --- | --- |
| Farms..... | 7,731 | n.a. | 501 | 521 | 596 | n.a. | 10.7 | 18.9 | --- | --- |
| Other | 68,968 | n.a. | 3,706 | 3,941 | 4,577 | n.a. | 19.0 | 23.5 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 1,841 | 1,818 | 2,013 | n.a. | 6.8 | 9.4 | --- | --- |
| Other..... | 69,947 | n.a. | 8,057 | 8,327 | 7,879 | n.a. | 8.0 | -2.2 | --- | --- |
| Total deposits | 925,511 | n.a. | 65,019 | 68,837 | 71,542 | n.a. | 11.5 | 10.0 | --- | --- |
| Demand | 377,683 | n.a. | 21,438 | 24,503 | 23,541 | n.a. | 10.2 | 9.8 | --- | --- |
| Time and savings | 547,828 | n.a. | 43,582 | 44,333 | 48,001 | n.a. | 12.3 | 10.1 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased only 2.9 percent in the State versus 16.8 percent in the Nation (table 6). In 1978:IV, contracts in the State totaled \$2.0 billion, for an increase of \$55 million over the year.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Illinois, the real valuation of construction contracts declined about 10 percent versus a national increase of about 4 percent.

The residential construction market was weak in Illinois. The valuation of residential housekeeping contracts increased only 0.9 percent versus 15.6 percent in the Nation. Forty-four States had larger increases. The number of dwelling units started declined 11.8 percent (2,378 units), to 17,807 units. Only eight States had declines that were larger than Illinois'. Nationally, in contrast, the number of dwelling units started was virtually unchanged at a high level. Contracts for additions and alterations to residential housekeeping units increased 10.1 percent in

valuation, lagging the national average increase by 4.5 percentage points.

The valuation of nonbuilding contracts declined 44.7 percent in Illinois versus an increase of 22.2 percent in the Nation. A \$79 million contract in 1977:IV for the construction of a sewage tunnel in Cook County raised the State's valuation of nonbuilding contracts to an unusually high level, thereby distorting the subsequent year-to-year change. Also contributing to weakness in nonbuilding was a decline of 27.1 percent in the valuation of street and highway contracts. Nationally, street and highway contracts declined 16.3 percent in valuation.

The valuation of nonresidential contracts increased 43.7 percent in the State versus 15.8 percent in the Nation. In 1978:IV, a \$63 million office building was contracted for in Cook County. Excluding this contract, the valuation of nonresidential contracts would have increased 27 percent.

Chart 14.—Construction Contracts—Total Valuation

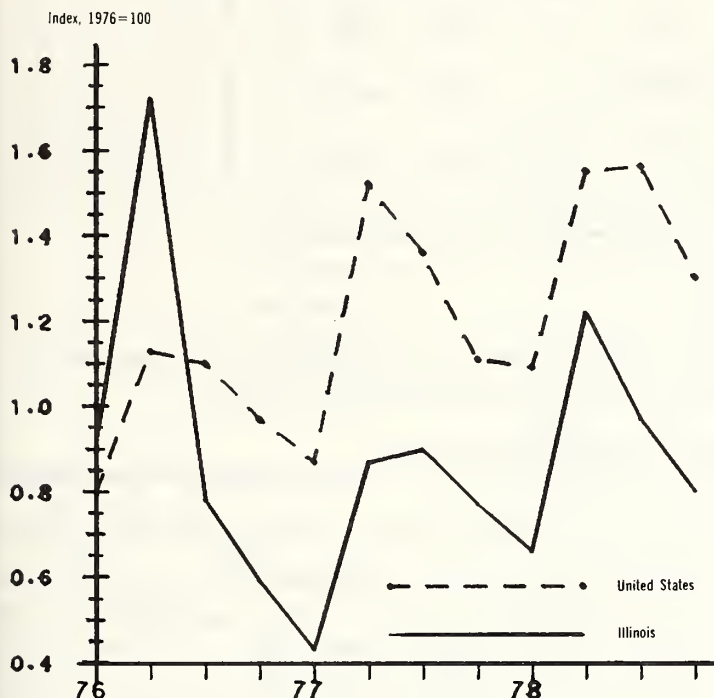


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Illinois

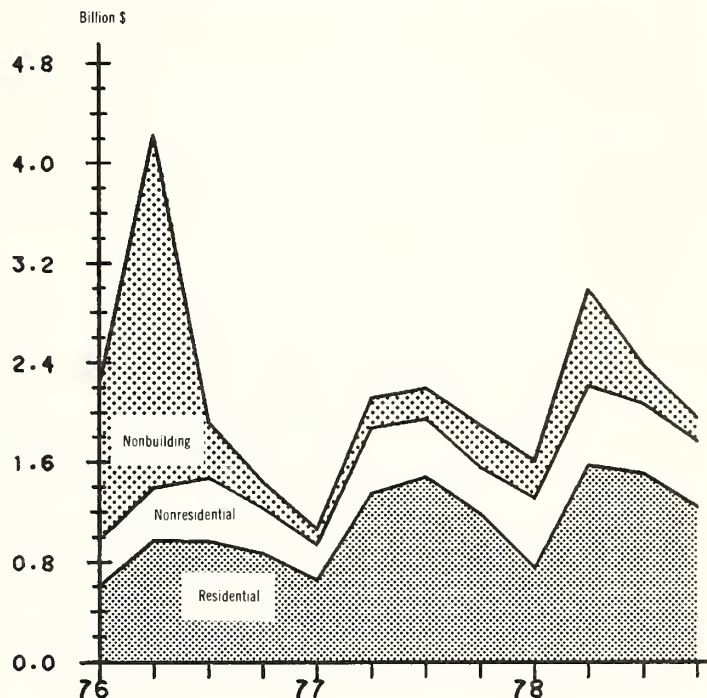


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

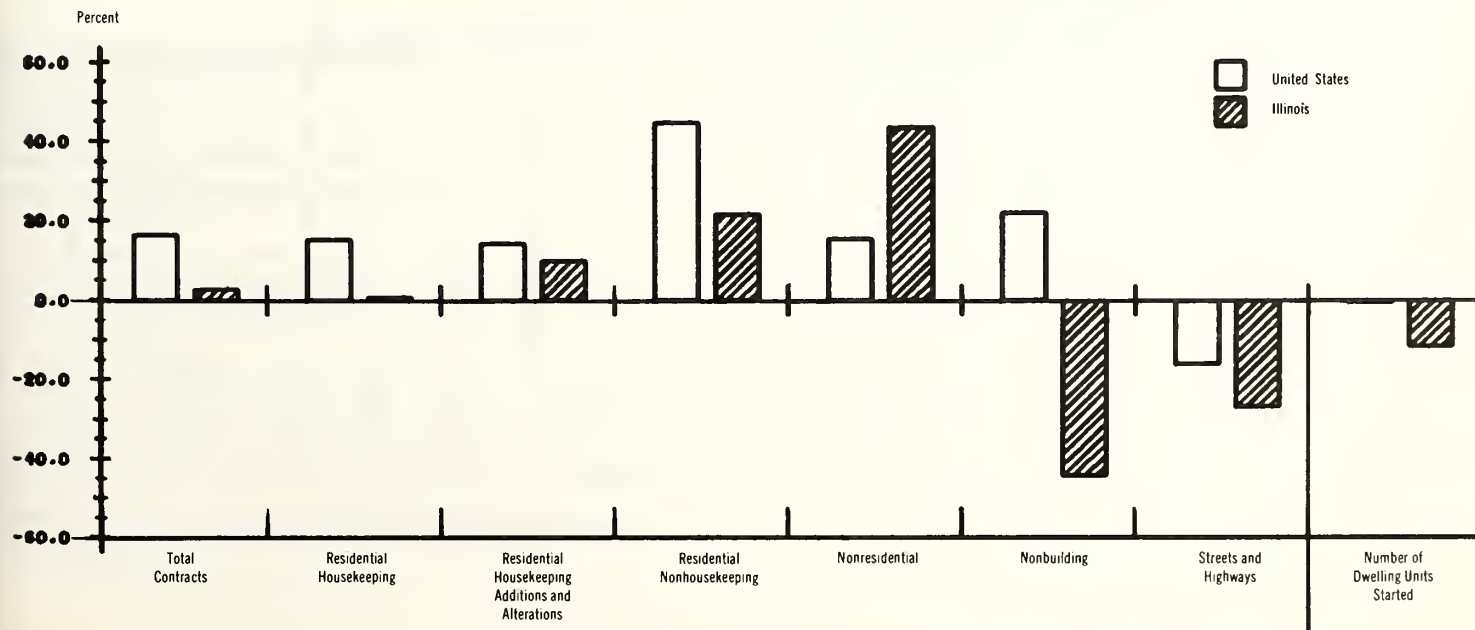


TABLE 6.—Construction Contracts, United States and Illinois Through Fourth Quarter, 1978¹

| | United States | | | Illinois | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|-----------|-----------|-----------|-----------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 2,195,632 | 1,896,913 | 2,378,424 | 1,952,855 | 14.5 | 8.3 | 16.8 | 2.9 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 482,294 | 376,362 | 500,977 | 414,436 | 16.8 | 3.9 | 14.6 | 10.1 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 3,315 | 2,805 | 3,030 | 2,246 | 4.4 | -8.6 | -9.3 | -19.9 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 1,713,338 | 1,520,551 | 1,877,447 | 1,538,419 | 14.0 | 9.6 | 17.4 | 1.2 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 48,613 | 41,560 | 51,106 | 41,683 | 10.8 | 5.1 | 10.2 | .3 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 702 | 662 | 620 | 579 | -5.1 | -11.7 | -4.3 | -12.5 |
| Number of dwelling units | 445,772 | 443,075 | 23,439 | 20,185 | 23,167 | 17,807 | 1.0 | -1.2 | -6 | -11.8 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 922,077 | 801,553 | 1,000,637 | 808,958 | 15.3 | 8.5 | 15.6 | .9 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 32,445 | 28,200 | 34,283 | 26,603 | 10.3 | 5.7 | 10.7 | -5.7 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 24 | 24 | 9 | 11 | -10.0 | -62.5 | -4 | -54.2 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 85,572 | 10,204 | 4,656 | 12,429 | 9.4 | -94.6 | 44.8 | 21.8 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 1,439 | 183 | 113 | 201 | -7 | -92.1 | 24.7 | 10.2 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 1,398 | 1,346 | 1,113 | 1,001 | -2.5 | -20.4 | -12.0 | -25.6 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 459,035 | 367,777 | 557,265 | 528,613 | 27.6 | 21.4 | 15.8 | 43.7 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 14,729 | 13,178 | 16,710 | 14,879 | 12.2 | 13.4 | 8.9 | 12.9 |
| Nonbuilding | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 1,191 | 773 | 1,288 | 655 | 22.4 | 8.1 | -9.1 | -15.3 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 246,654 | 341,017 | 314,889 | 188,419 | -1 | 27.7 | 22.2 | -44.7 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 474 | 228 | 501 | 182 | 9.3 | 5.7 | -17.8 | -20.2 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 96,396 | 95,925 | 128,432 | 69,948 | 3.0 | 33.2 | -16.3 | -27.1 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Illinois totaled \$12.3 billion in 1978:IV, up 10.0 percent increase (table 7). In 1978:IV, nondurable goods accounted for \$8.2 billion, and durable goods accounted for \$4.1 billion.

TABLE 7.—Retail Sales, United States and Illinois Through Fourth Quarter, 1978

| | United States | | | Illinois | | | U.S. | State | U.S. | State |
|------------------------|--|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| Retail sales | 197,030 | 219,020 | 9,822 | 11,199 | 10,732 | 12,321 | 10.3 | 9.3 | 11.2 | 10.0 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 3,775 | 4,084 | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | 6,957 | 8,237 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Illinois Through Fourth Quarter, 1978

| | United States | | | Illinois | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 4,253 | 4,434 | 4,781 | n.a. | 8.2 | 12.4 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 99 | 93 | 95 | n.a. | -9.5 | -4.0 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 30,734 | 16,385 | 22,990 | n.a. | -44.2 | -25.2 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 310 | 176 | 242 | n.a. | -38.4 | -21.9 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 21 | 8 | 15 | n.a. | -10.1 | -28.6 | --- | --- |
| Construction | 319 | n.a. | 11 | 12 | 13 | n.a. | 1.0 | 18.2 | --- | --- |
| Wholesale trade | 191 | n.a. | 13 | 13 | 13 | n.a. | -27.1 | .0 | --- | --- |
| Retail trade | 688 | n.a. | 42 | 45 | 40 | n.a. | -4.2 | -4.8 | --- | --- |
| Commercial services | 238 | n.a. | 12 | 15 | 14 | n.a. | -24.0 | 16.7 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 13.9%, 1.3 percentage points more than in U.S. —Strong increases in construction, finance-insurance-real estate, government, and farming |
| Consumer prices | —Up 11.1% in Cincinnati and 9.9% in Chicago vs. 8.9% in U.S. |
| Employment | —Up 4.8% vs. 3.9% in U.S., to 2.5 million |
| Unemployment | —Up 15,000, to 139,000 —Rate up to 5.3% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 52.1% vs. 16.8% in U.S., to \$2.1 billion —State gain traceable to an electric generating plant contract in 1978:IV —Number of dwelling-unit starts declined 20.2% vs. near stability in U.S., to 8,657 |
| Retail sales | —Up 12.4% vs. 11.2% in U.S., to \$5.7 billion |

TABLE 1.—Summary of Economic Indicators, United States and Indiana Through Fourth Quarter, 1978

| | United States | | | Indiana | | | U.S. | State | U.S. | State |
|--|--|------------|-----------|-----------|-----------|-----------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 37,360 | 38,194 | 41,871 | 43,498 | 12.4 | 12.1 | 12.6 | 13.9 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 24,766 | 25,098 | 27,620 | 28,423 | 12.1 | 11.5 | 12.6 | 13.2 |
| Civilian employment (thousands) | 92,442 | 96,010 | 2,349 | 2,349 | 2,443 | 2,463 | 4.1 | 4.0 | 3.9 | 4.8 |
| Unemployment (thousands) | 6,149 | 5,605 | 128 | 124 | 141 | 139 | -9.8 | 10.0 | -8.8 | 12.1 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 5.2 | 5.0 | 5.4 | 5.3 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 13,252 | 13,691 | 15,347 | n.a. | 16.3 | 15.8 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 20,202 | 21,804 | 22,314 | n.a. | 11.5 | 10.5 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 1,840,566 | 1,388,558 | 1,556,768 | 2,111,906 | 14.5 | -15.4 | 16.8 | 52.1 |
| Dwelling units started (number) | 445,772 | 443,075 | 11,974 | 10,852 | 11,693 | 8,657 | 1.0 | -2.3 | -6 | -20.2 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 4,530 | 5,042 | 5,148 | 5,667 | 10.3 | 13.6 | 11.2 | 12.4 |
| New business incorporations (number) | 109,411 | n.a. | 2,105 | 1,048 | 2,703 | n.a. | 8.2 | 28.4 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 26 | 43 | 33 | n.a. | -9.5 | 26.9 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Chicago | --- | --- | 177.4 | 179.4 | 191.8 | 197.1 | --- | 8.1 | --- | 9.9 |
| Cincinnati | --- | --- | 185.2 | 186.7 | 202.3 | 207.5 | --- | 9.2 | --- | 11.1 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.9 percent from 1977:IV to 1978:IV, 1.3 percentage points more than nationally (table 2). In 1978:IV, Indiana's total personal income was \$43.5 billion, for an increase of \$5.3 billion since 1977:IV. Nonfarm income increased 12.8 percent, 0.5 percentage point more than nationally; among all States, Indiana's increase ranked 20th. Farm income increased 66.4 percent in the State versus 26.3 percent in the Nation; among all States, Indiana's increase ranked 12th.

Since the last national business cycle peak (1973:IV), Indiana's economic growth has been close to the national average; the increase in nonfarm income was 2 percent less than nationally, ranking Indiana 34th among all States.

Consumer prices from 1977:IV to 1978:IV increased 9.9 percent in the Chicago metropolitan area and 11.1 percent in Cincinnati; both of these increases were well above the national average increase of 8.9 percent (table 3). If the average price increase in the two areas—10.5 percent—is used as an indicator for price movements in Indiana, real total personal income in the State increased 3.4 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 13.2 percent in Indiana versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$28.4 billion, up \$3.3 billion since 1977:IV.

Construction payrolls increased 30.7 percent in the State versus 20.1 percent in the Nation. Mining payrolls increased 44.2 percent in Indiana versus 33.9 percent in the Nation; the 1977:IV level had been unusually low due to a coal miners' strike. Government payrolls also increased more in Indiana than in the Nation—7.7 percent versus 6.9 percent nationally. Strength was evident in both Federal Government payrolls and State and local government payrolls.

In contrast, payrolls in private service-type industries increased about as much in Indiana (13.2 percent) as in the Nation. The State's increase in finance-insurance-real estate was above the national average, and the increase in services was below the national average. Manufacturing payrolls increased 12.4 percent, nearly 1 percentage point less than nationally. Weakness extended to both durable and nondurable goods.

With the State and national economies continuing to expand, State unemployment insurance benefits declined 28.6 percent in Indiana and 30.3 percent in the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV

[Seasonally adjusted]

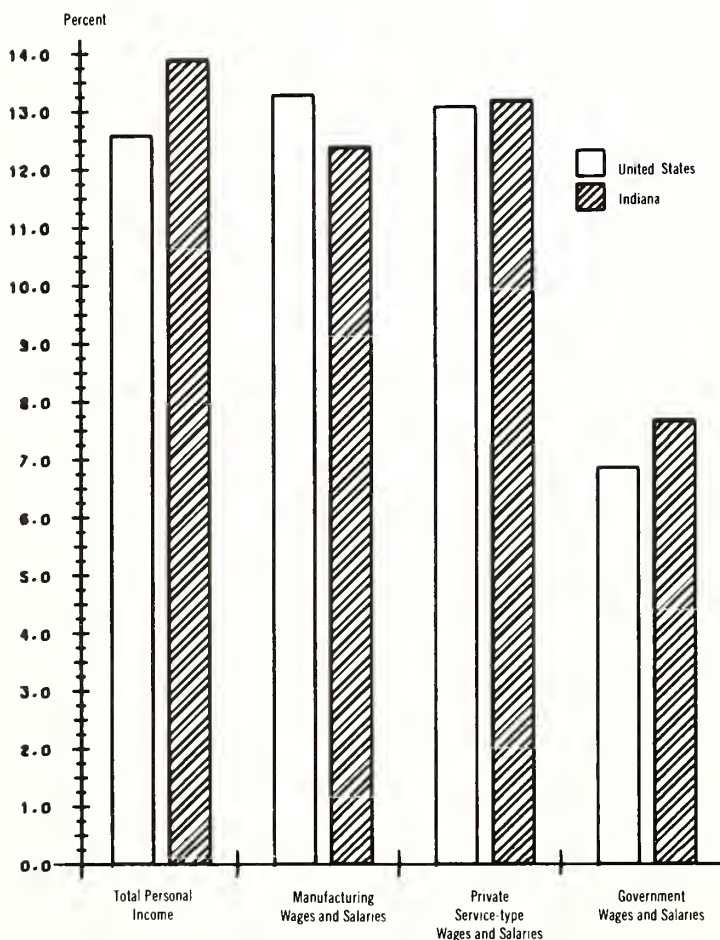


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

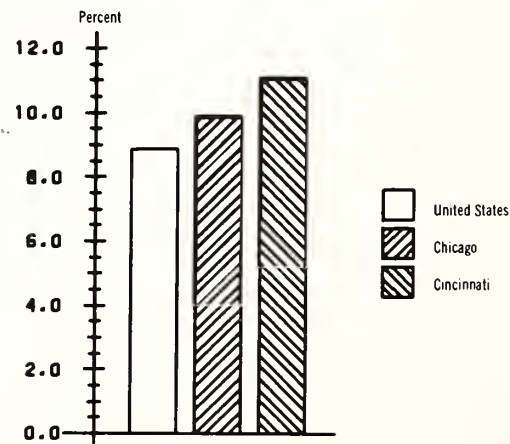


Chart 3.—Total Personal Income
[Seasonally adjusted]

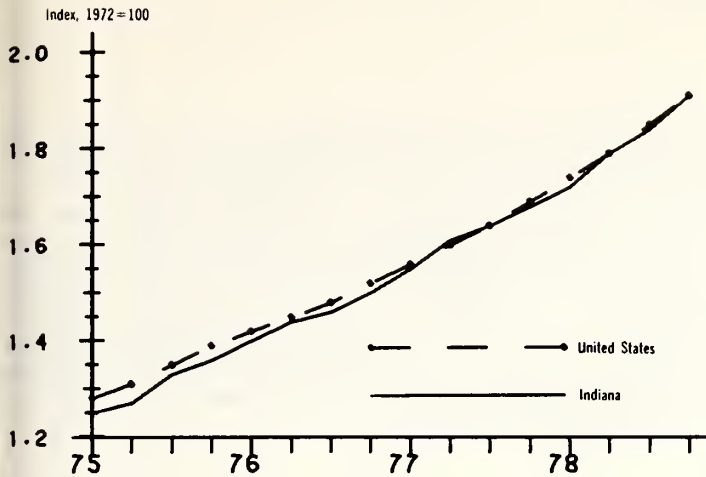


Chart 4.—Industrial Composition of Wages and Salaries: Indiana
[Seasonally adjusted]

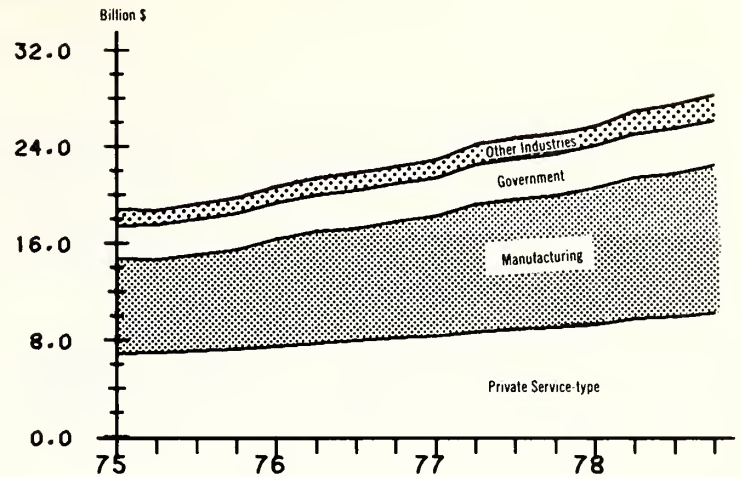


TABLE 2.—Personal Income, United States and Indiana Through Fourth Quarter, 1978

| | United States | | | Indiana | | | U.S. | State | U.S. | State |
|---|---------------|-----------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Millions of dollars, seasonally adjusted at annual rates¹ | | | | | | | Percent change² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 37,360 | 38,194 | 41,871 | 43,498 | 12.4 | 12.1 | 12.6 | 13.9 |
| Farm personal income | 31,224 | 39,451 | 556 | 740 | 786 | 1,231 | 47.9 | 41.4 | 26.3 | 66.4 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 36,804 | 37,454 | 41,085 | 42,266 | 11.9 | 11.6 | 12.3 | 12.8 |
| Total personal income | 1,583,508 | 1,782,519 | 37,360 | 38,194 | 41,871 | 43,498 | 12.4 | 12.1 | 12.6 | 13.9 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 24,766 | 25,098 | 27,620 | 28,423 | 12.1 | 11.5 | 12.6 | 13.2 |
| Other labor income | 96,016 | 111,719 | 2,709 | 2,787 | 3,135 | 3,233 | 17.0 | 15.7 | 16.4 | 16.0 |
| Proprietors' income | 105,953 | 125,995 | 2,275 | 2,471 | 2,713 | 3,244 | 21.5 | 19.3 | 18.9 | 31.3 |
| Farm | 23,636 | 31,044 | 399 | 580 | 615 | 1,051 | 66.6 | 54.0 | 31.3 | 81.1 |
| Nonfarm | 82,317 | 94,951 | 1,876 | 1,891 | 2,099 | 2,193 | 12.8 | 11.9 | 15.3 | 16.0 |
| Dividends, interest, and rent | 214,992 | 242,442 | 4,841 | 4,958 | 5,392 | 5,541 | 12.3 | 11.4 | 12.8 | 11.8 |
| Transfer payments | 215,944 | 233,750 | 4,145 | 4,250 | 4,567 | 4,640 | 8.8 | 10.2 | 8.2 | 9.2 |
| State unemployment insurance benefits | 11,128 | 7,753 | 79 | 106 | 78 | 76 | -24.0 | -1.5 | -30.3 | -28.6 |
| Less: personal contributions | 62,212 | 71,610 | 1,487 | 1,494 | 1,684 | 1,721 | 14.8 | 13.2 | 15.1 | 15.2 |
| Plus: residence adjustment | -401 | -473 | 110 | 124 | 128 | 138 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 24,766 | 25,098 | 27,620 | 28,423 | 12.1 | 11.5 | 12.6 | 13.2 |
| Farm | 7,176 | 7,939 | 153 | 156 | 167 | 176 | 8.5 | 9.3 | 10.6 | 12.8 |
| Nonfarm | 1,006,040 | 1,132,757 | 24,613 | 24,942 | 27,453 | 28,247 | 12.1 | 11.5 | 12.6 | 13.2 |
| Mining | 14,048 | 18,813 | 163 | 148 | 204 | 213 | 26.5 | 24.9 | 33.9 | 44.2 |
| Construction | 55,648 | 66,858 | 1,383 | 1,341 | 1,641 | 1,753 | 19.1 | 18.7 | 20.1 | 30.7 |
| Manufacturing | 276,112 | 312,970 | 10,685 | 10,888 | 11,871 | 12,242 | 12.1 | 11.1 | 13.3 | 12.4 |
| Durable goods | 176,216 | 203,053 | 8,509 | 8,680 | 9,518 | 9,827 | 13.7 | 11.9 | 15.2 | 13.2 |
| Nondurable goods | 99,896 | 109,917 | 2,177 | 2,208 | 2,353 | 2,415 | 9.4 | 8.1 | 10.0 | 9.4 |
| Private service-type | 455,764 | 515,348 | 8,977 | 9,082 | 9,989 | 10,285 | 12.8 | 11.3 | 13.1 | 13.2 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 1,663 | 1,664 | 1,772 | 1,855 | 10.4 | 6.6 | 11.3 | 11.5 |
| Wholesale and retail trade | 170,888 | 195,035 | 3,785 | 3,819 | 4,260 | 4,374 | 13.6 | 12.6 | 14.1 | 14.5 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 974 | 1,016 | 1,141 | 1,175 | 14.1 | 17.2 | 13.2 | 15.7 |
| Services | 153,840 | 173,396 | 2,556 | 2,584 | 2,816 | 2,881 | 12.6 | 10.2 | 12.7 | 11.5 |
| Government | 201,252 | 215,083 | 3,369 | 3,448 | 3,706 | 3,713 | 7.4 | 10.0 | 6.9 | 7.7 |
| Federal | 68,176 | 73,003 | 737 | 771 | 796 | 835 | 7.3 | 8.1 | 7.1 | 8.4 |
| State and local | 133,076 | 142,080 | 2,633 | 2,677 | 2,910 | 2,878 | 7.5 | 10.5 | 6.8 | 7.5 |
| Other | 3,216 | 3,685 | 35 | 36 | 41 | 41 | 18.7 | 17.6 | 14.6 | 14.8 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Indiana Through Fourth Quarter, 1978¹

| | United States | | | Indiana | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Chicago..... | --- | --- | 177.4 | 179.4 | 191.8 | 197.1 | --- | 8.1 | --- | 9.9 |
| Cincinnati..... | --- | --- | 185.2 | 186.7 | 202.3 | 207.5 | --- | 9.2 | --- | 11.1 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the **civilian labor force** in Indiana increased 5.2 percent, 2.1 percentage points more than in the Nation (table 4). Indiana's increase ranked fifth in the Nation, after increases in Alaska, West Virginia, Oregon, and Wyoming. **Total employment** in Indiana increased 4.8 percent, 0.9 percentage point more than in the Nation, to 2.5 million. Indiana's employment increase was the second largest in the Great Lakes region, after Ohio's 5.2-percent increase.

With the labor force increasing 129,000 and total employment increasing 114,000, **unemployment** increased 15,000, to 139,000. In 1978:IV, the State's **unemployment rate** was 5.3 percent, slightly less than the Nation's rate. From year to year, the unemployment rate increased

0.3 percentage point in Indiana—one of only ten States to register an increase—versus a decline of 0.7 percentage point in the Nation.

In December 1978, the preliminary unemployment rate in Indiana was 5.9 percent. Rates in major metropolitan areas of the State ranged from 5.2 percent in both Indianapolis and Ft. Wayne to 6.6 percent in Evansville. From December 1977 to December 1978, the preliminary unemployment rate increased 2.2 percentage points in Evansville, compared with a statewide increase of only 0.5 percentage point; the increase in Evansville was the largest among all major metropolitan areas in the State. Only one area, Terre Haute, registered a decline—0.5 percentage point—to 5.7 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Indiana

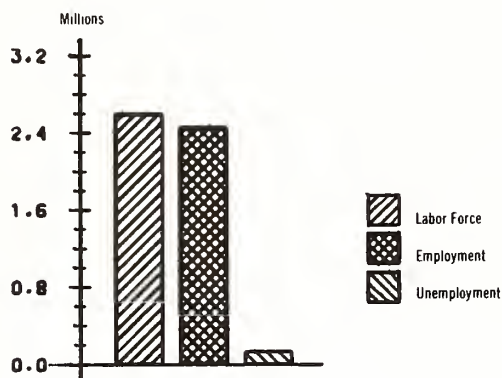


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

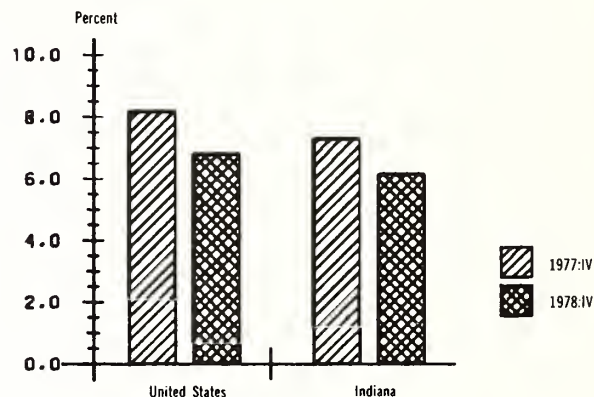


TABLE 4.—Labor Force, United States and Indiana Through Fourth Quarter, 1978

| | United States | | | Indiana | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 2,117 | 2,126 | 2,201 | 2,213 | 4.3 | 4.0 | 4.2 | 4.1 |
| Mining | 787 | 899 | 9 | 8 | 10 | 9 | 8.2 | 4.4 | 14.2 | 21.1 |
| Construction | 4,032 | 4,488 | 97 | 92 | 107 | 106 | 10.4 | 9.6 | 11.3 | 15.3 |
| Manufacturing | 19,986 | 20,722 | 715 | 718 | 737 | 746 | 3.1 | 3.1 | 3.7 | 3.9 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 106 | 106 | 108 | 109 | 3.8 | 1.4 | 4.4 | 2.8 |
| Wholesale and retail trade | 19,152 | 20,015 | 459 | 468 | 478 | 483 | 5.3 | 4.3 | 4.5 | 3.2 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 94 | 93 | 96 | 96 | 4.8 | 2.9 | -2.0 | 3.7 |
| Services | 15,539 | 16,215 | 296 | 293 | 305 | 301 | 4.6 | 2.8 | 4.4 | 2.8 |
| Government | 15,434 | 15,656 | 341 | 349 | 361 | 363 | 2.1 | 5.9 | 1.4 | 4.2 |
| Civilian labor force ³ | 98,591 | 101,615 | 2,477 | 2,473 | 2,583 | 2,602 | 3.2 | 4.3 | 3.1 | 5.2 |
| Total employed | 92,442 | 96,010 | 2,349 | 2,349 | 2,443 | 2,463 | 4.1 | 4.0 | 3.9 | 4.8 |
| Total unemployed | 6,149 | 5,605 | 128 | 124 | 141 | 139 | -9.8 | 10.0 | -8.8 | 12.1 |
| Percent unemployed | 6.2 | 5.5 | 5.2 | 5.0 | 5.4 | 5.3 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

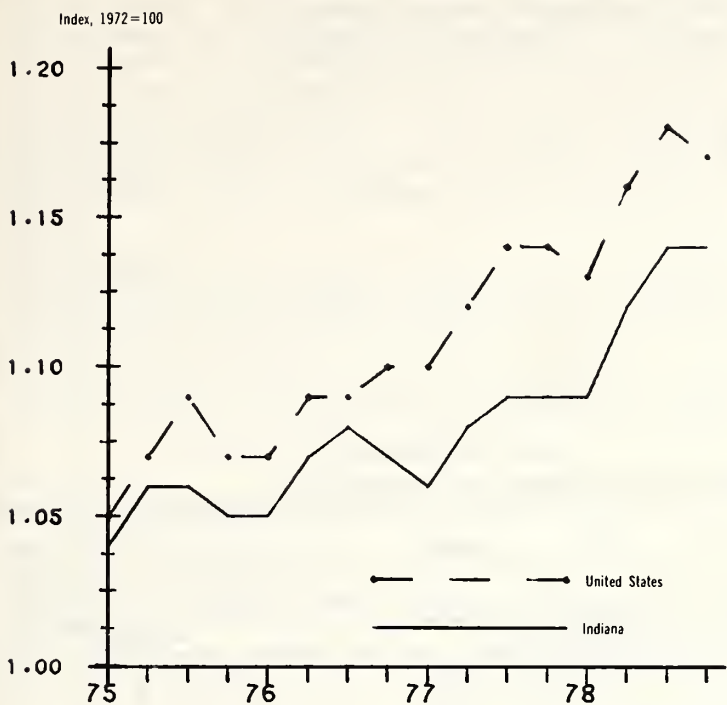


Chart 8.—Civilian Employment

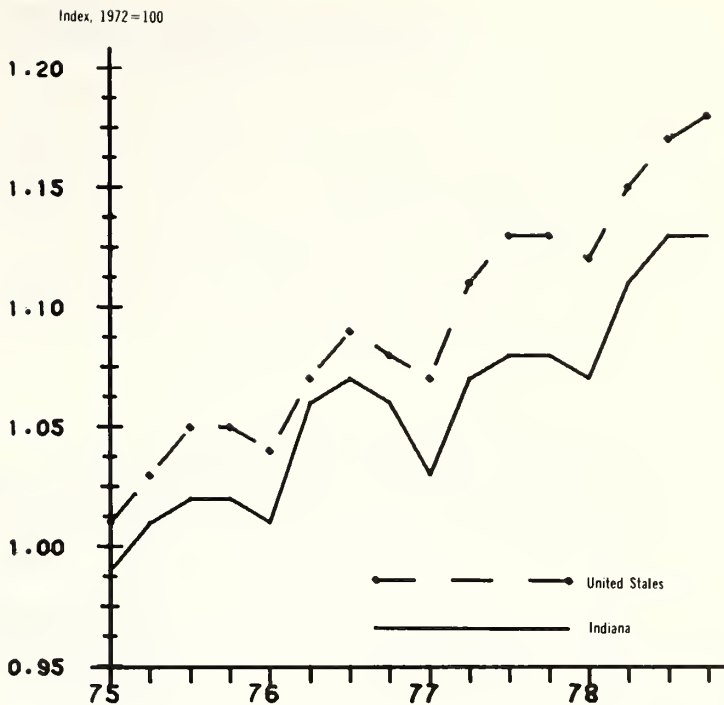


Chart 9.—Unemployment Rate

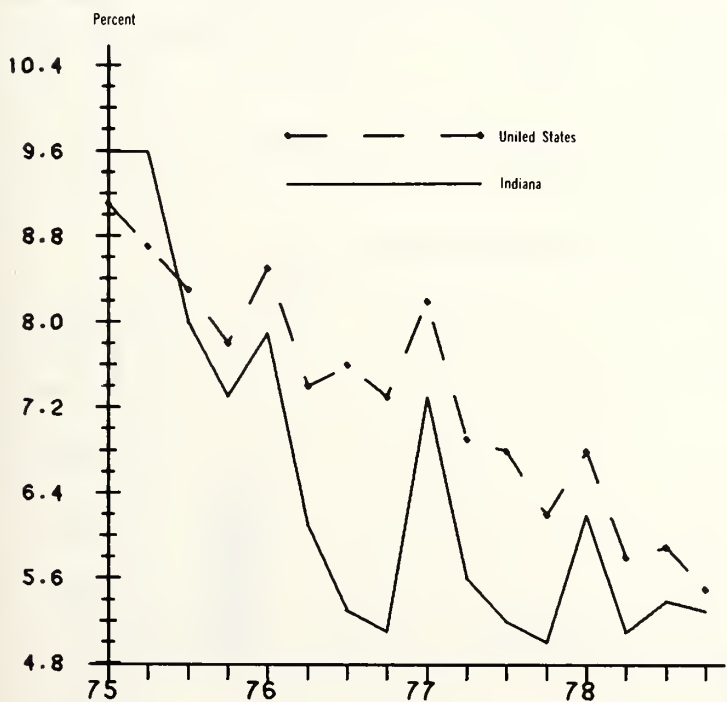
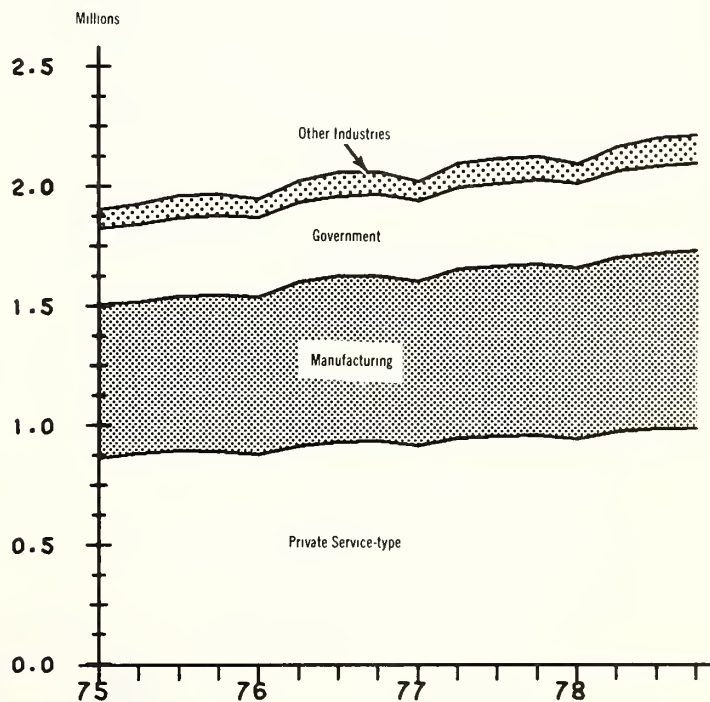


Chart 10.—Industrial Composition of Nonagricultural Employment: Indiana



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Indiana Through Fourth Quarter, 1978

| | United States | | | Indiana | | | U.S. | State | U.S. | State |
|------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 13,252 | 13,691 | 15,347 | n.a. | 16.3 | 15.8 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 2,839 | 2,962 | 3,288 | n.a. | 14.2 | 15.8 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 3,604 | 3,722 | 4,224 | n.a. | 20.2 | 17.2 | --- | --- |
| Real estate | 177,935 | n.a. | 5,515 | 5,765 | 6,453 | n.a. | 19.9 | 17.0 | --- | --- |
| Residential | 101,236 | n.a. | 3,357 | 3,549 | 4,070 | n.a. | 21.3 | 21.3 | --- | --- |
| Farms | 7,731 | n.a. | 492 | 505 | 549 | n.a. | 10.7 | 11.5 | --- | --- |
| Other | 68,968 | n.a. | 1,666 | 1,711 | 1,834 | n.a. | 19.0 | 10.1 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 787 | 760 | 876 | n.a. | 6.8 | 11.3 | --- | --- |
| Other | 69,947 | n.a. | 506 | 482 | 506 | n.a. | 8.0 | .1 | --- | --- |
| Total deposits | 925,511 | n.a. | 20,202 | 21,804 | 22,314 | n.a. | 11.5 | 10.5 | --- | --- |
| Demand | 377,683 | n.a. | 6,113 | 7,493 | 6,768 | n.a. | 10.2 | 10.7 | --- | --- |
| Time and savings | 547,828 | n.a. | 14,088 | 14,312 | 15,545 | n.a. | 12.3 | 10.3 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 52.1 percent in Indiana versus 16.8 percent in the Nation (table 6). Only two States—Hawaii and South Dakota—had larger gains. In 1978:IV, contracts in the State totaled \$2.1 billion, for a gain over the year of \$723 million. A \$1.2 billion contract in 1978:IV for an electric generating plant in Spencer County raised the total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. However, a \$450 million contract in 1977:IV for an electric generating plant in Sullivan County offset the distorting effect of the Spencer County contract. If both generating plants are excluded, the total valuation of contracts in the State would have declined about 3 percent.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Indiana, the real valuation of construction contracts (including the generating plants) increased about 39 percent versus a national increase of about 4 percent.

Reflecting the generating plant contracts, the valuation of nonbuilding contracts increased 135.9 percent (\$745 million) versus 22.2 percent in

the Nation. In contrast, the valuation of street and highway contracts declined 26.0 percent in Indiana versus a decline of 16.3 percent in the Nation.

The valuation of nonresidential contracts declined 12.8 percent in the State, in sharp contrast to the gain in the Nation of 15.8 percent.

The residential construction market was weak in Indiana. Contracts for additions and alterations to residential housekeeping units increased 4.9 percent in valuation in the State versus 14.6 percent in the Nation. The valuation of residential housekeeping contracts increased only 0.4 percent versus a gain of 15.6 percent in the Nation. Forty-six States had increases that were larger than Indiana's. The number of dwelling units started declined 20.2 percent. Only four States had larger declines. In 1978:IV, 8,657 dwelling units were started in Indiana, for a decline over the year of 2,195 units. Nationally, in contrast, the number of dwelling units started was virtually unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

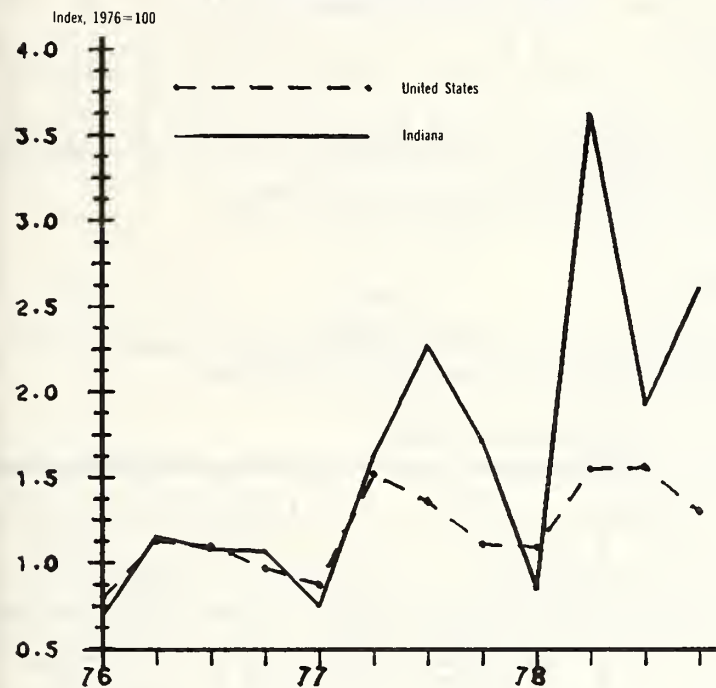


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Indiana

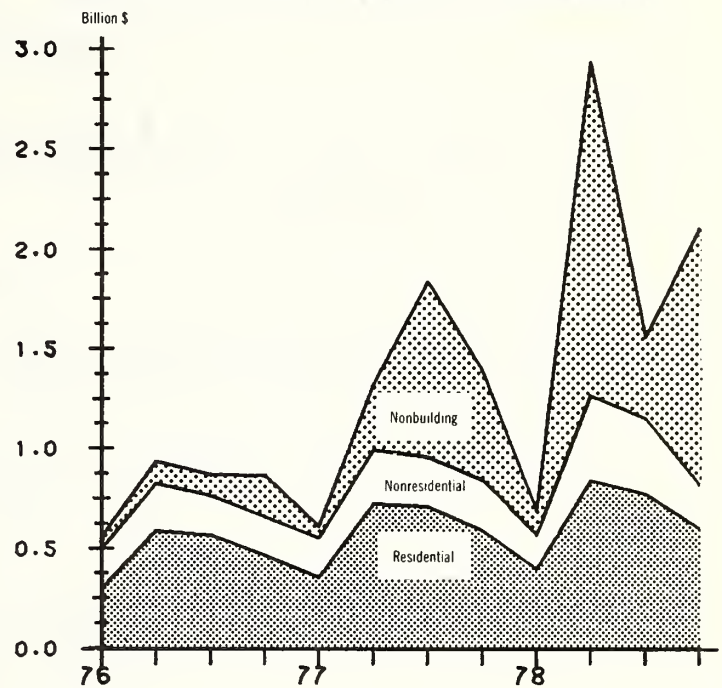


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

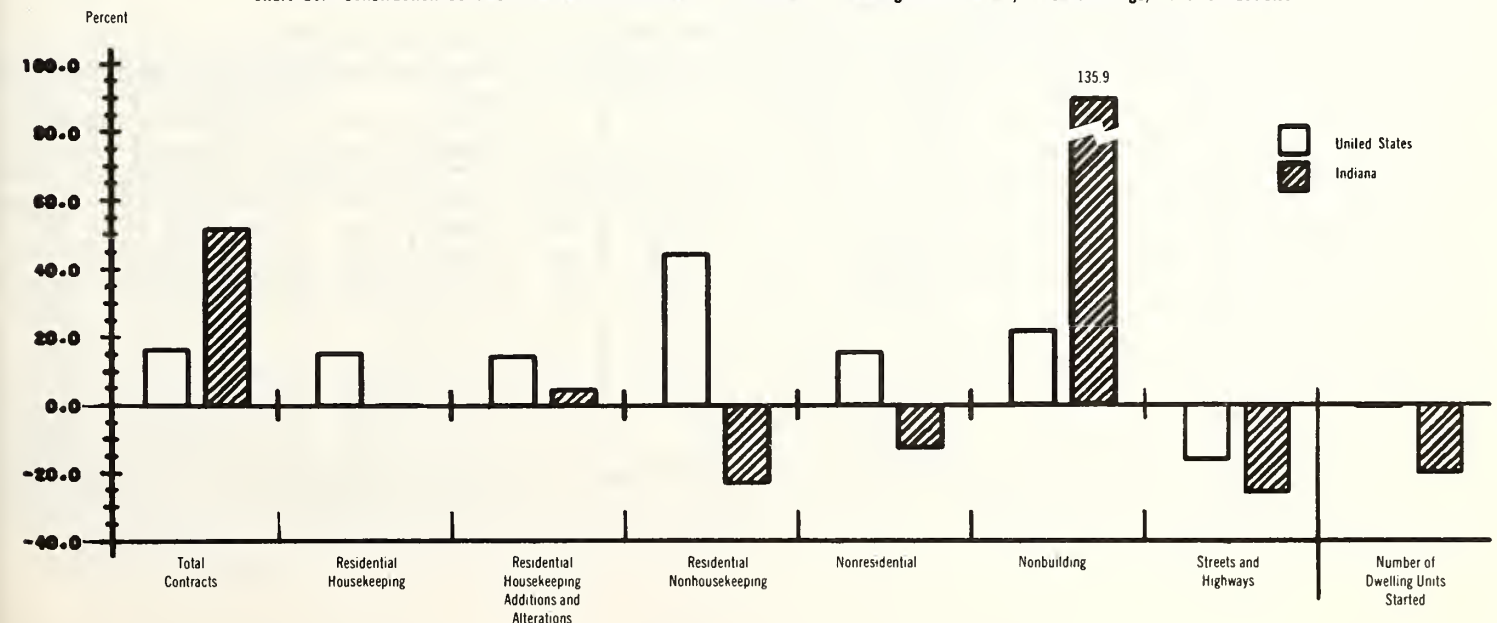


TABLE 6.—Construction Contracts, United States and Indiana Through Fourth Quarter, 1978¹

| | United States | | | Indiana | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|-----------|-----------|-----------|-----------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 1,840,566 | 1,388,558 | 1,556,768 | 2,111,906 | 14.5 | -15.4 | 16.8 | 52.1 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars)..... | 7,707,987 | 8,832,353 | 257,941 | 210,864 | 268,304 | 221,150 | 16.8 | 4.0 | 14.6 | 4.9 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 2,007 | 2,095 | 1,807 | 1,739 | 4.4 | -10.0 | -9.3 | -17.0 |
| Valuation (thousands of dollars)..... | 31,205,124 | 36,627,420 | 1,582,625 | 1,177,694 | 1,288,464 | 1,890,756 | 14.0 | -18.6 | 17.4 | 60.5 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 26,408 | 24,074 | 27,050 | 20,860 | 10.8 | 2.4 | 10.2 | -13.4 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 392 | 409 | 390 | 382 | -5.1 | -5 | -4.3 | -6.6 |
| Number of dwelling units | 445,772 | 443,075 | 11,974 | 10,852 | 11,693 | 8,657 | 1.0 | -2.3 | -6 | -20.2 |
| Valuation (thousands of dollars)..... | 14,879,596 | 17,198,518 | 443,015 | 371,706 | 499,201 | 373,267 | 15.3 | 12.7 | 15.6 | .4 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 16,912 | 14,569 | 18,293 | 13,576 | 10.3 | 8.2 | 10.7 | -6.8 |
| Residential nonhousekeeping | | | | | | | | | | |
| Number of contracts | 507 | 505 | 17 | 14 | 14 | 10 | -10.0 | -17.6 | -4 | -28.6 |
| Valuation (thousands of dollars)..... | 338,637 | 490,279 | 8,024 | 6,950 | 6,092 | 5,335 | 9.4 | -24.1 | 44.8 | -23.2 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 232 | 225 | 199 | 175 | -7 | -14.4 | 24.7 | -22.1 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 1,188 | 1,310 | 976 | 950 | -2.5 | -17.8 | -12.0 | -27.5 |
| Valuation (thousands of dollars)..... | 9,334,415 | 10,810,769 | 251,309 | 250,610 | 379,752 | 218,470 | 27.6 | 51.1 | 15.8 | -12.8 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 9,264 | 9,280 | 8,559 | 7,109 | 12.2 | -7.6 | 8.9 | -23.4 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 410 | 362 | 427 | 397 | 22.4 | 4.1 | -9.1 | 9.7 |
| Valuation (thousands of dollars)..... | 6,652,476 | 8,127,854 | 880,277 | 548,428 | 403,419 | 1,293,684 | -1 | -54.2 | 22.2 | 135.9 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 133 | 91 | 163 | 124 | 9.3 | 22.6 | -17.8 | 36.3 |
| Valuation (thousands of dollars)..... | 2,308,681 | 1,931,341 | 41,574 | 38,774 | 41,678 | 28,708 | 3.0 | .3 | -16.3 | -26.0 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Indiana totaled \$5.7 billion in 1978:IV, up 12.4 percent increase (table 7). In 1978:IV, nondurable goods accounted for \$3.7 billion, and durable goods accounted for \$2.0 billion.

TABLE 7.—Retail Sales, United States and Indiana Through Fourth Quarter, 1978

| | United States | | | Indiana | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| Retail sales..... | 197,030 | 219,020 | 4,530 | 5,042 | 5,148 | 5,667 | 10.3 | 13.6 | 11.2 | 12.4 |
| Durable goods..... | 62,065 | 71,573 | n.a. | n.a. | 1,968 | 1,977 | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | 3,180 | 3,690 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

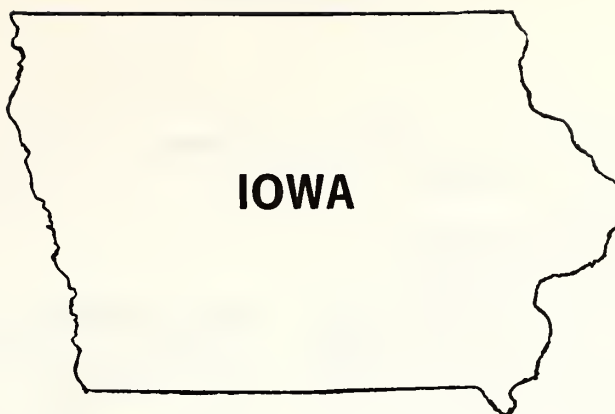
TABLE 8.—Business Incorporations and Failures, United States and Indiana Through Fourth Quarter, 1978

| | United States | | | Indiana | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 2,105 | 1,048 | 2,703 | n.a. | 8.2 | 28.4 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 26 | 43 | 33 | n.a. | -9.5 | 26.9 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 3,667 | 7,766 | 5,568 | n.a. | -44.2 | 51.8 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 141 | 181 | 169 | n.a. | -38.4 | 19.9 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 3 | 2 | 2 | n.a. | -10.1 | -33.3 | --- | --- |
| Construction | 319 | n.a. | 7 | 18 | 7 | n.a. | 1.0 | .0 | --- | --- |
| Wholesale trade | 191 | n.a. | 5 | 3 | 4 | n.a. | -27.1 | -20.0 | --- | --- |
| Retail trade | 688 | n.a. | 9 | 13 | 15 | n.a. | -4.2 | 66.7 | --- | --- |
| Commercial services | 238 | n.a. | 2 | 7 | 5 | n.a. | -24.0 | 150.0 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 13.5% vs. 12.6% in U.S., to \$23.7 billion —Payrolls up 17.8% in trade vs. 14.1% in U.S. —Payrolls up 15.0% in services vs. 12.7% in U.S. |
| Consumer prices | —Up 8.4% in Kansas City and 11.1% in Minneapolis-St. Paul vs. 8.9% in U.S. |
| Employment | —Up 2.0% vs. 3.9% in U.S., to 1.4 million |
| Unemployment | —Down 2,000, to 47,000 —Rate down to 3.3% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 1.3% vs. 16.8% in U.S., to \$526.4 million —Valuation of nonbuilding contracts down 26.5% vs. 22.2% increase in U.S. —Number of dwelling-unit starts up 2.7% vs. near stability in U.S., to 5,407 |

TABLE 1.—Summary of Economic Indicators, United States and Iowa Through Fourth Quarter, 1978

| | United States | | | Iowa | | | U.S. | State | U.S. | State |
|--|--|------------|----------|---------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 19,906 | 20,858 | 22,928 | 23,683 | 12.4 | 15.2 | 12.6 | 13.5 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 11,504 | 11,781 | 12,794 | 13,364 | 12.1 | 11.2 | 12.6 | 13.4 |
| Civilian employment (thousands)..... | 92,442 | 96,010 | 1,356 | 1,339 | 1,386 | 1,366 | 4.1 | 2.2 | 3.9 | 2.0 |
| Unemployment (thousands) | 6,149 | 5,605 | 53 | 49 | 46 | 47 | -9.8 | -12.8 | -8.8 | -5.4 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 3.8 | 3.5 | 3.2 | 3.3 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 9,019 | 9,308 | 10,114 | n.a. | 16.3 | 12.1 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 13,483 | 14,225 | 14,998 | n.a. | 11.5 | 11.2 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 576,281 | 519,881 | 713,263 | 526,443 | 14.5 | 23.8 | 16.8 | 1.3 |
| Dwelling units started (number) | 445,772 | 443,075 | 6,591 | 5,266 | 7,883 | 5,407 | 1.0 | 19.6 | -6 | 2.7 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 1,329 | 1,312 | 1,234 | n.a. | 8.2 | -7.1 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 11 | 12 | 27 | n.a. | -9.5 | 145.5 | --- | --- |
| Consumer Price Index (1967 = 100): | | | | | | | | | | |
| U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Kansas City..... | --- | --- | 180.6 | 182.7 | 194.3 | 198.1 | --- | 7.6 | --- | 8.4 |
| Minneapolis—St. Paul | --- | --- | 184.5 | 187.0 | 203.5 | 207.7 | --- | 10.3 | --- | 11.1 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.5 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, the State's personal income totaled \$23.7 billion, up \$2.8 billion since 1977:IV. Iowa's increase in total personal income would have been smaller had it not been for a 27.4-percent increase in farm personal income, compared with a 26.3-percent national increase. The State's nonfarm personal income increased 12.4 percent from year to year, about the same as nationally. Since the most recent national business cycle peak in 1973:IV, Iowa's nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 9 percent more than nationally, ranking Iowa 24th among all States.

From 1977:IV to 1978:IV, **consumer price indexes** for the Kansas City and Minneapolis-St. Paul metropolitan areas increased 8.4 percent and 11.1 percent, respectively, compared with an 8.9-percent national city

average increase (table 3). If an average of the two area indexes is used as an indicator for price movements in the State, real total personal income in Iowa increased almost 4 percent from year to year, about the same as nationally.

Wage and salary disbursements (payrolls) increased 13.4 percent in the State, compared with a 12.6-percent national gain. In 1978:IV, they totaled \$13.4 billion, up \$1.6 billion since 1977:IV.

Within Iowa's private service-type industry group, payrolls in wholesale and retail trade increased 17.8 percent versus 14.1 percent nationally. Iowa's increase in trade payrolls, \$387 million, accounted for almost 25 percent of the year-to-year increase in all payrolls in the State. In services, payrolls increased 15.0 percent versus 12.7 percent nationally. In contrast, payrolls in transportation-communication-public utilities increased 10.2 percent, 1.1 percentage points less than nationally, and those in finance-insurance-real estate increased 12.8 percent, 0.4 percentage point less than nationally.

In manufacturing, nondurable goods payrolls increased 13.0 percent in the State, 3.0 percentage points more than nationally, and durable goods payrolls increased 14.6 percent, 0.6 percentage point less than nationally.

Federal Government payrolls increased 8.9 percent from year to year versus 7.1 percent nationally, and State and local government payrolls increased 5.9 percent versus 6.8 percent nationally. Iowa's State and local government payroll increase was one of the smallest in the Nation.

Construction payrolls in Iowa increased 18.7 percent from year to year, 1.4 percentage points less than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 23.9 percent in Iowa and 30.3 percent in the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]

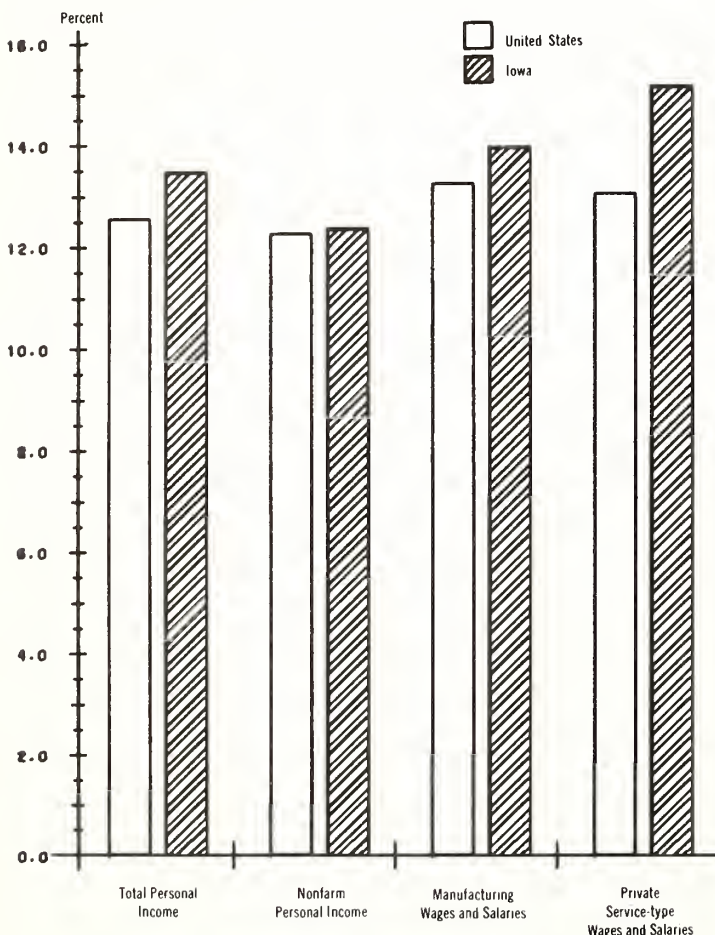


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

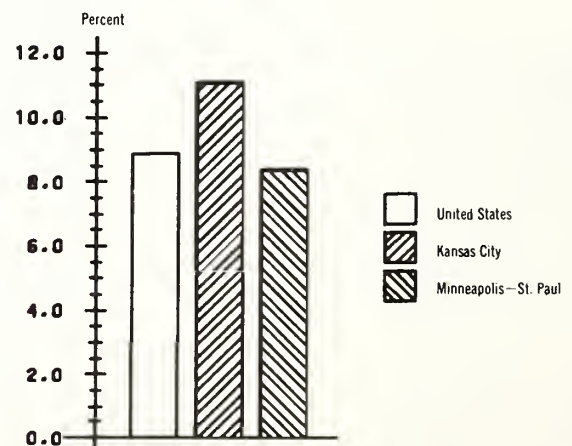


Chart 3.—Total Personal Income
[Seasonally adjusted]

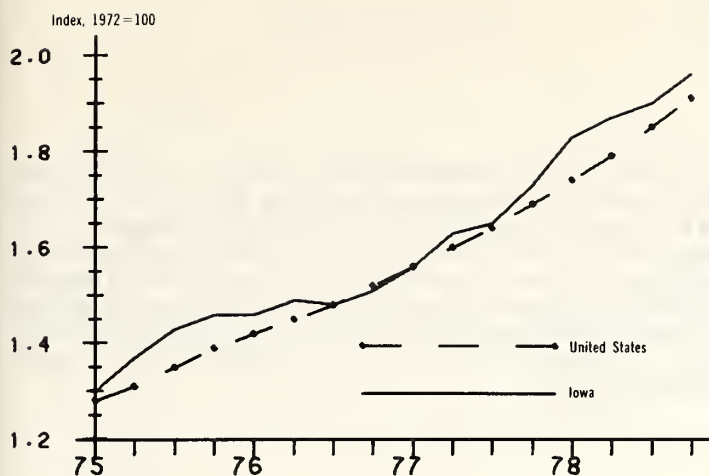


Chart 4.—Industrial Composition of Wages and Salaries: Iowa
[Seasonally adjusted]

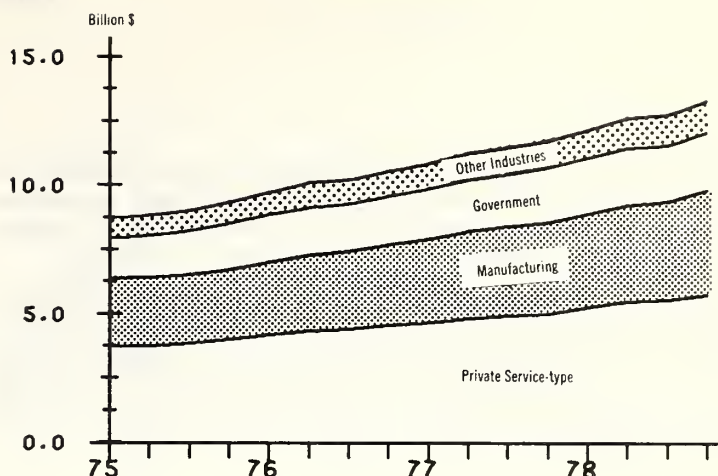


TABLE 2.—Personal Income, United States and Iowa Through Fourth Quarter, 1978

| | United States | | | Iowa | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 19,906 | 20,858 | 22,928 | 23,683 | 12.4 | 15.2 | 12.6 | 13.5 |
| Farm personal income..... | 31,224 | 39,451 | 1,071 | 1,541 | 1,976 | 1,963 | 47.9 | 84.4 | 26.3 | 27.4 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 18,835 | 19,318 | 20,952 | 21,720 | 11.9 | 11.2 | 12.3 | 12.4 |
| Total personal income | 1,583,508 | 1,782,519 | 19,906 | 20,858 | 22,928 | 23,683 | 12.4 | 15.2 | 12.6 | 13.5 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 11,504 | 11,781 | 12,794 | 13,364 | 12.1 | 11.2 | 12.6 | 13.4 |
| Other labor income | 96,016 | 111,719 | 1,078 | 1,114 | 1,237 | 1,296 | 17.0 | 14.8 | 16.4 | 16.4 |
| Proprietors' income..... | 105,953 | 125,995 | 2,216 | 2,702 | 3,269 | 3,299 | 21.5 | 47.6 | 18.9 | 22.1 |
| Farm | 23,636 | 31,044 | 824 | 1,287 | 1,704 | 1,677 | 66.6 | 106.8 | 31.3 | 30.3 |
| Nonfarm | 82,317 | 94,951 | 1,392 | 1,414 | 1,565 | 1,623 | 12.8 | 12.5 | 15.3 | 14.7 |
| Dividends, interest, and rent | 214,992 | 242,442 | 3,322 | 3,409 | 3,700 | 3,799 | 12.3 | 11.4 | 12.8 | 11.4 |
| Transfer payments | 215,944 | 233,750 | 2,474 | 2,548 | 2,713 | 2,744 | 8.8 | 9.7 | 8.2 | 7.7 |
| State unemployment insurance benefits..... | 11,128 | 7,753 | 111 | 140 | 115 | 107 | -24.0 | 3.8 | -30.3 | -23.9 |
| Less: personal contributions | 62,212 | 71,610 | 783 | 793 | 890 | 920 | 14.8 | 13.7 | 15.1 | 16.1 |
| Plus: residence adjustment | -401 | -473 | 95 | 98 | 105 | 100 | — | — | — | — |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 11,504 | 11,781 | 12,794 | 13,364 | 12.1 | 11.2 | 12.6 | 13.4 |
| Farm | 7,176 | 7,939 | 240 | 246 | 263 | 277 | 8.5 | 9.9 | 10.6 | 12.7 |
| Nonfarm | 1,006,040 | 1,132,757 | 11,265 | 11,535 | 12,531 | 13,087 | 12.1 | 11.2 | 12.6 | 13.5 |
| Mining..... | 14,048 | 18,813 | 33 | 31 | 40 | 41 | 26.5 | 18.8 | 33.9 | 33.6 |
| Construction | 55,648 | 66,858 | 740 | 751 | 876 | 891 | 19.1 | 18.4 | 20.1 | 18.7 |
| Manufacturing | 276,112 | 312,970 | 3,504 | 3,582 | 3,825 | 4,083 | 12.1 | 9.2 | 13.3 | 14.0 |
| Durable goods | 176,216 | 203,053 | 2,257 | 2,326 | 2,438 | 2,665 | 13.7 | 8.0 | 15.2 | 14.6 |
| Nondurable goods | 99,896 | 109,917 | 1,247 | 1,256 | 1,386 | 1,419 | 9.4 | 11.2 | 10.0 | 13.0 |
| Private service-type | 455,764 | 515,348 | 4,933 | 5,023 | 5,589 | 5,785 | 12.8 | 13.3 | 13.1 | 15.2 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 824 | 823 | 883 | 907 | 10.4 | 7.2 | 11.3 | 10.2 |
| Wholesale and retail trade | 170,888 | 195,035 | 2,144 | 2,174 | 2,481 | 2,561 | 13.6 | 15.7 | 14.1 | 17.8 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 580 | 600 | 658 | 676 | 14.1 | 13.6 | 13.2 | 12.8 |
| Services..... | 153,840 | 173,396 | 1,386 | 1,426 | 1,567 | 1,641 | 12.6 | 13.1 | 12.7 | 15.0 |
| Government | 201,252 | 215,083 | 2,030 | 2,124 | 2,173 | 2,259 | 7.4 | 7.1 | 6.9 | 6.3 |
| Federal..... | 68,176 | 73,003 | 320 | 353 | 367 | 384 | 7.3 | 14.8 | 7.1 | 8.9 |
| State and local | 133,076 | 142,080 | 1,710 | 1,771 | 1,806 | 1,875 | 7.5 | 5.6 | 6.8 | 5.9 |
| Other | 3,216 | 3,685 | 25 | 25 | 28 | 28 | 18.7 | 12.1 | 14.6 | 9.6 |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Iowa Through Fourth Quarter, 1978¹

| | United States | | | Iowa | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|-----------------------|----------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | | Percent change | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Kansas City | --- | --- | 180.6 | 182.7 | 194.3 | 198.1 | --- | 7.6 | --- | 8.4 |
| Minneapolis—St. Paul..... | --- | --- | 184.5 | 187.0 | 203.5 | 207.7 | --- | 10.3 | --- | 11.1 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Iowa's **civilian labor force** increased 1.8 percent versus 3.1 percent nationally (table 4). **Total employment** increased 2.0 percent versus 3.9 percent nationally, to 1.4 million. Iowa's percent increase was one of the smallest in the Nation.

With employment increasing by 27,000 and the labor force increasing by 25,000, the number of **unemployed** declined by 2,000, to 47,000. Iowa's **unemployment rate** declined 0.2 percentage point, to 3.3 percent of the labor force, the fifth lowest rate in the Nation. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among Iowa's major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 4.2 percent, ranged from 6.7 percent in Sioux City to 3.4 percent in Cedar Rapids. In Des Moines, the State's largest metropolitan area, the preliminary unemployment rate was 3.8 percent. From December 1977 to December 1978, the unemployment rate increased 1.7 percentage points in Sioux City, compared with an increase of only 0.2 percentage point statewide; Sioux City's increase was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Iowa

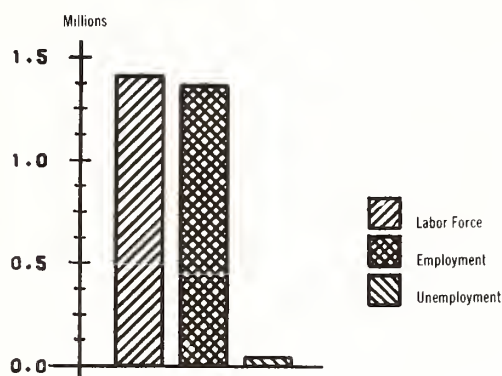


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

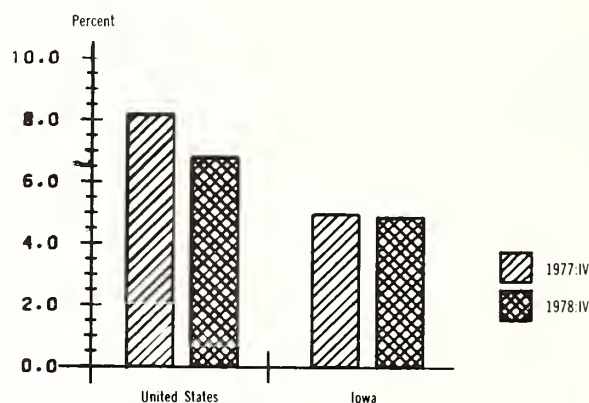


TABLE 4.—Labor Force, United States and Iowa Through Fourth Quarter, 1978

| | United States | | | Iowa | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,062 | 1,087 | 1,086 | 1,109 | 4.3 | 2.2 | 4.2 | 2.0 |
| Mining | 787 | 899 | 3 | 2 | 3 | 2 | 8.2 | .0 | 14.2 | -4.2 |
| Construction | 4,032 | 4,488 | 61 | 56 | 62 | 56 | 10.4 | 2.1 | 11.3 | .4 |
| Manufacturing | 19,986 | 20,722 | 243 | 244 | 244 | 249 | 3.1 | .3 | 3.7 | 2.3 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 55 | 54 | 55 | 55 | 3.8 | -5 | 4.4 | .7 |
| Wholesale and retail trade | 19,152 | 20,015 | 271 | 277 | 277 | 282 | 5.3 | 2.4 | 4.5 | 1.7 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 53 | 52 | 54 | 53 | 4.8 | 2.1 | -2.0 | 2.3 |
| Services | 15,539 | 16,215 | 186 | 191 | 193 | 198 | 4.6 | 4.0 | 4.4 | 3.9 |
| Government | 15,434 | 15,656 | 192 | 211 | 198 | 214 | 2.1 | 3.4 | 1.4 | 1.1 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,409 | 1,388 | 1,432 | 1,413 | 3.2 | 1.6 | 3.1 | 1.8 |
| Total employed | 92,442 | 96,010 | 1,356 | 1,339 | 1,386 | 1,366 | 4.1 | 2.2 | 3.9 | 2.0 |
| Total unemployed | 6,149 | 5,605 | 53 | 49 | 46 | 47 | -9.8 | -12.8 | -8.8 | -5.4 |
| Percent unemployed | 6.2 | 5.5 | 3.8 | 3.5 | 3.2 | 3.3 | | | | |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

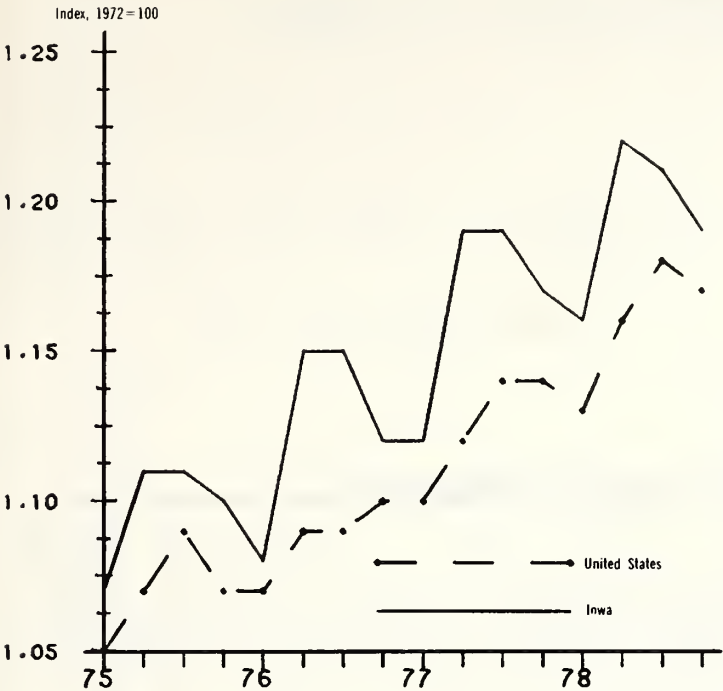


Chart 8.—Civilian Employment

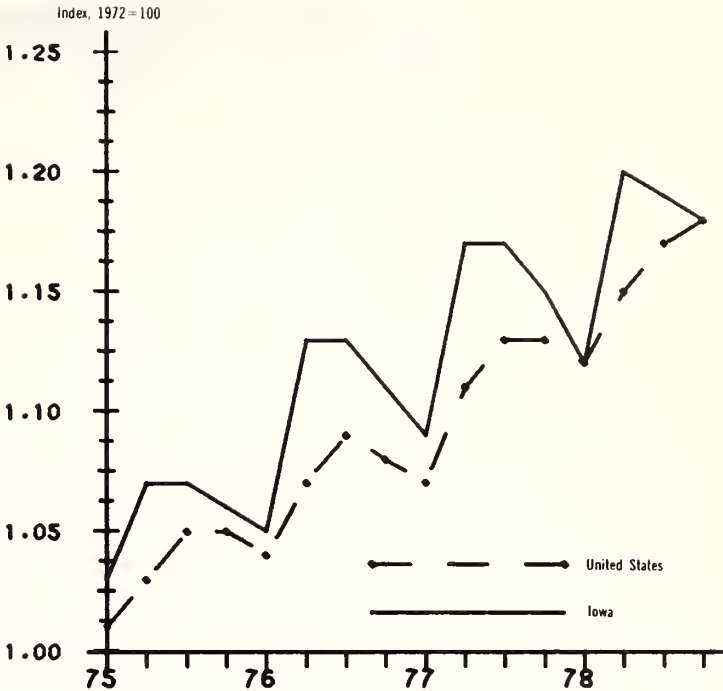


Chart 9.—Unemployment Rate

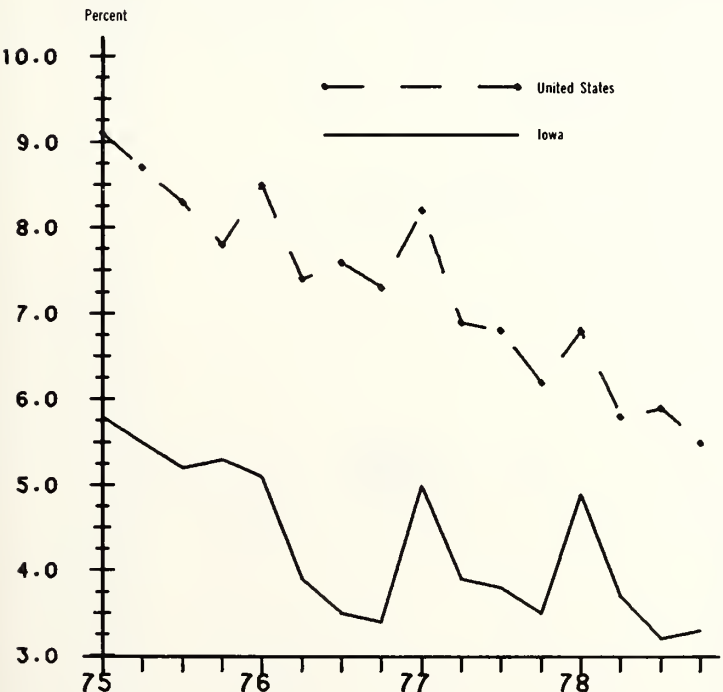
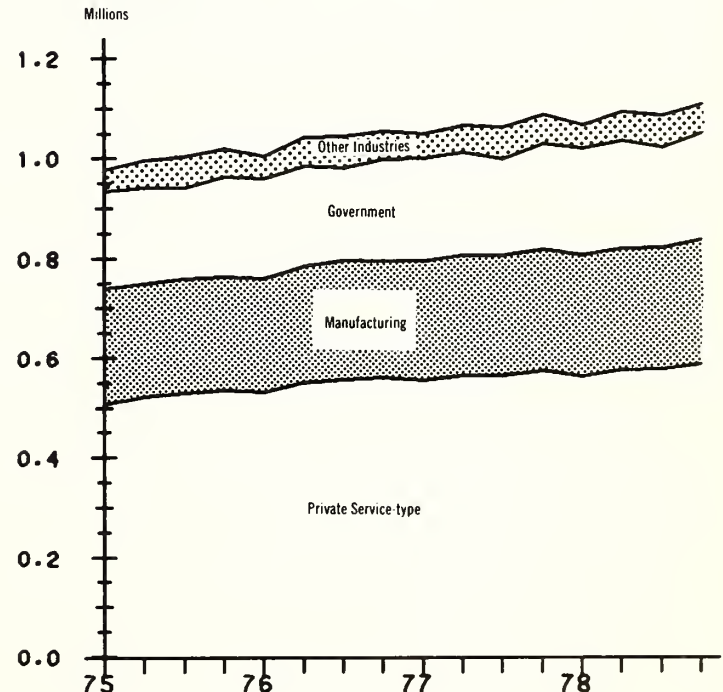


Chart 10.—Industrial Composition of Nonagricultural Employment: Iowa



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Iowa Through Fourth Quarter, 1978

| | United States | | | Iowa | | | U.S. | State | U.S. | State |
|------------------------------------|---|-------------|---------------|---------------|---------------|-------------|-----------------------------|----------------------|---------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:IV— 1978:IV | 1977:IV— 1978:IV |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 9,019 | 9,308 | 10,114 | n.a. | 16.3 | 12.1 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 1,826 | 1,868 | 2,059 | n.a. | 14.2 | 12.8 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 1,697 | 1,758 | 1,957 | n.a. | 20.2 | 15.3 | --- | --- |
| Real estate | 177,935 | n.a. | 2,505 | 2,624 | 2,973 | n.a. | 19.9 | 18.7 | --- | --- |
| Residential | 101,236 | n.a. | 1,459 | 1,548 | 1,799 | n.a. | 21.3 | 23.3 | --- | --- |
| Farms | 7,731 | n.a. | 323 | 330 | 348 | n.a. | 10.7 | 7.8 | --- | --- |
| Other | 68,968 | n.a. | 723 | 745 | 825 | n.a. | 19.0 | 14.2 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 2,717 | 2,779 | 2,836 | n.a. | 6.8 | 4.4 | --- | --- |
| Other | 69,947 | n.a. | 275 | 279 | 290 | n.a. | 8.0 | 5.5 | --- | --- |
| Total deposits | 925,511 | n.a. | 13,483 | 14,225 | 14,998 | n.a. | 11.5 | 11.2 | --- | --- |
| Demand | 377,683 | n.a. | 3,927 | 4,484 | 4,425 | n.a. | 10.2 | 12.7 | --- | --- |
| Time and savings | 547,828 | n.a. | 9,557 | 9,741 | 10,573 | n.a. | 12.3 | 10.6 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased only 1.3 percent (\$6.6 million), to \$526.4 million (table 6). Iowa's increase was exceeded by increases in 41 States. The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Iowa sustained a real decline of about 12 percent versus a real increase in the Nation of about 4 percent.

Nonbuilding contracts declined 26.5 percent in valuation, compared with a 22.2-percent national increase. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 17.5 percent in the State and 16.3 percent nationally.

Nonresidential contracts increased only 3.2 percent in valuation versus 15.8 percent nationally.

The valuation of residential housekeeping additions and alterations was almost unchanged from year to year, compared with a 14.6-percent national increase. Forty-two States registered increases that were larger than Iowa's. Residential housekeeping contracts, in contrast, increased 16.8 percent in valuation versus 15.6 percent nationally. The number of dwelling units started increased 2.7 percent (141 units) in the State, to 5,407 units. Nationally, the number of dwelling units started was almost unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

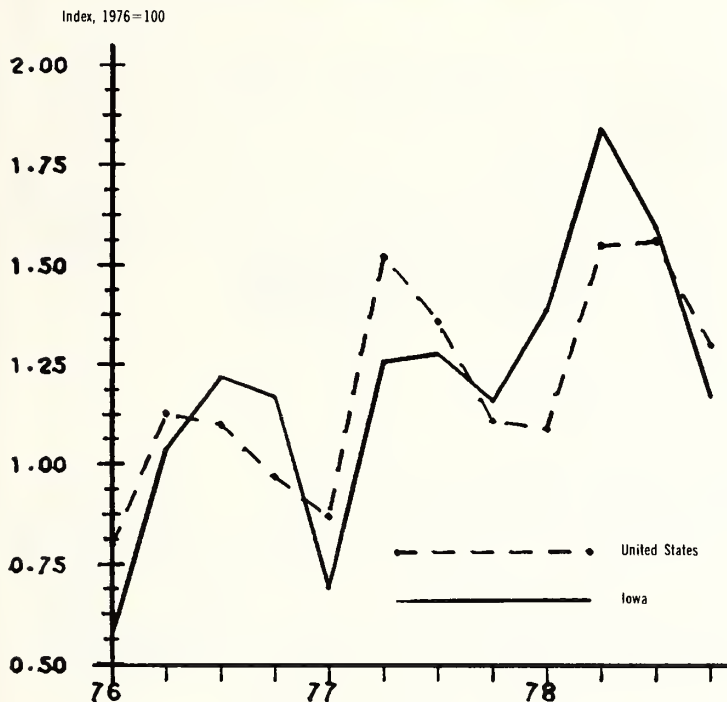


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Iowa

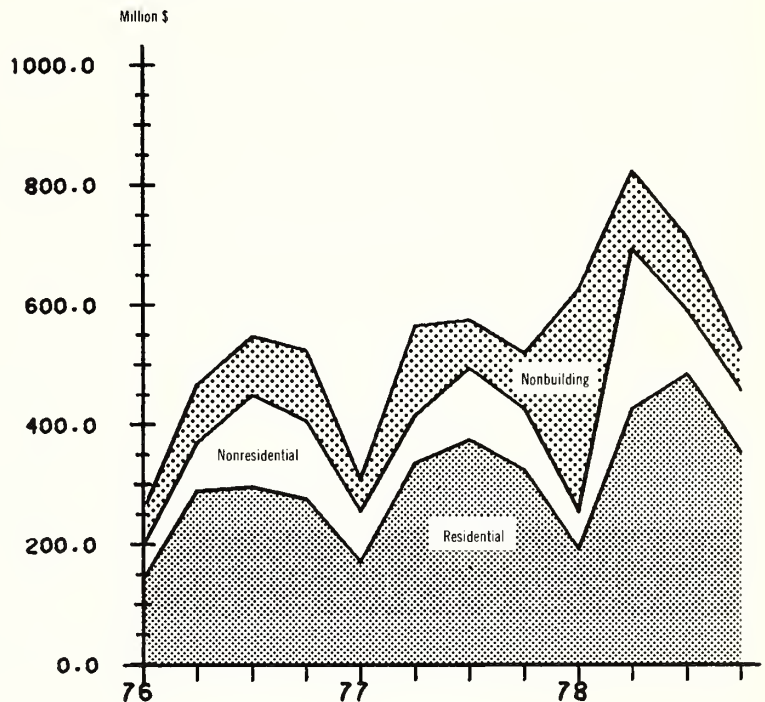


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

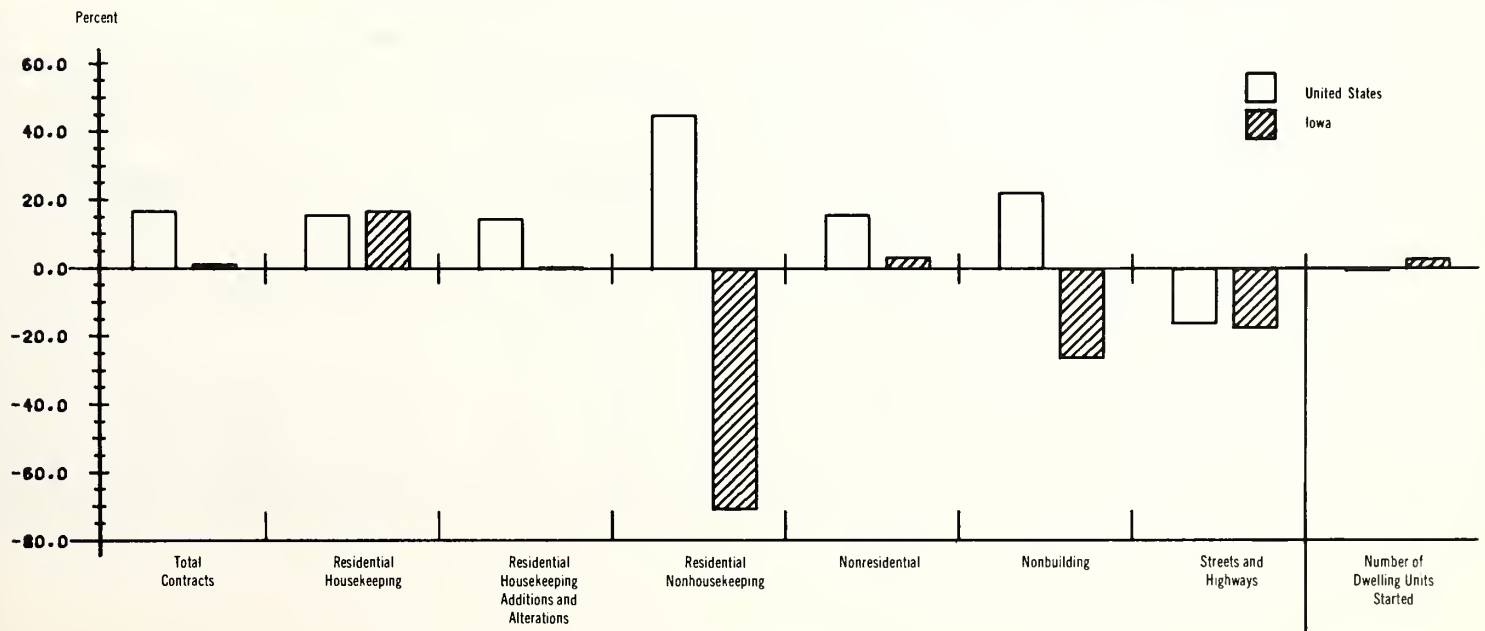


TABLE 6.—Construction Contracts, United States and Iowa Through Fourth Quarter, 1978¹

| | United States | | | Iowa | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|----------------|----------------|----------------|----------------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 576,281 | 519,881 | 713,263 | 526,443 | 14.5 | 23.8 | 16.8 | 1.3 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 137,919 | 128,508 | 156,508 | 129,004 | 16.8 | 13.5 | 14.6 | .4 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,307 | 1,057 | 1,168 | 975 | 4.4 | -10.6 | -9.3 | -7.8 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 438,362 | 391,373 | 556,755 | 397,439 | 14.0 | 27.0 | 17.4 | 1.5 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 12,444 | 10,833 | 14,776 | 11,329 | 10.8 | 18.7 | 10.2 | 4.6 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 404 | 405 | 392 | 386 | -5.1 | -3.0 | -4.3 | -4.7 |
| Number of dwelling units | 445,772 | 443,075 | 6,591 | 5,266 | 7,883 | 5,407 | 1.0 | 19.6 | -6 | 2.7 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 232,999 | 190,029 | 322,901 | 221,976 | 15.3 | 38.6 | 15.6 | 16.8 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 8,615 | 7,080 | 11,674 | 7,989 | 10.3 | 35.5 | 10.7 | 12.8 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 10 | 7 | 5 | 5 | -10.0 | -50.0 | -.4 | -28.6 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 4,782 | 5,666 | 6,582 | 1,630 | 9.4 | 37.6 | 44.8 | -71.2 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 158 | 152 | 46 | 19 | -.7 | -70.7 | 24.7 | -87.6 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 394 | 372 | 326 | 332 | -2.5 | -17.3 | -12.0 | -10.8 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 118,904 | 101,063 | 104,096 | 104,274 | 27.6 | -12.5 | 15.8 | 3.2 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 3,671 | 3,601 | 3,055 | 3,321 | 12.2 | -16.8 | 8.9 | -7.8 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 499 | 273 | 445 | 252 | 22.4 | -10.8 | -9.1 | -7.7 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 81,677 | 94,615 | 123,176 | 69,559 | -.1 | 50.8 | 22.2 | -26.5 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 233 | 77 | 149 | 60 | 9.3 | -36.1 | -17.8 | -22.1 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 45,788 | 31,725 | 44,736 | 26,161 | 3.0 | -2.3 | -16.3 | -17.5 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Iowa are not available.

TABLE 7.—Retail Sales, United States and Iowa Through Fourth Quarter, 1978

| | United States | | | Iowa | | | U.S. | State | U.S. | State |
|---------------------------|--|----------------|-------------|-------------|-------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

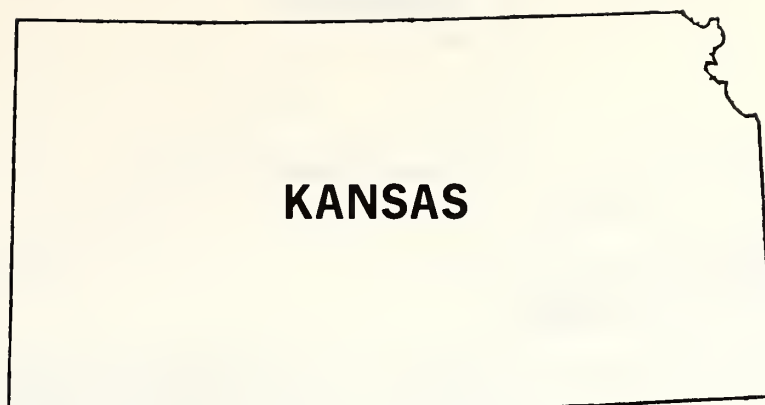
Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Iowa Through Fourth Quarter, 1978

| | United States | | | Iowa | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------|--------------|--------------|--------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 1,329 | 1,312 | 1,234 | n.a. | 8.2 | -7.1 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 11 | 12 | 27 | n.a. | -9.5 | 145.5 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 1,087 | 4,341 | 25,310 | n.a. | -44.2 | *** | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 99 | 362 | 937 | n.a. | -38.4 | 846.5 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 1 | 5 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 3 | 2 | 4 | n.a. | 1.0 | 33.3 | --- | --- |
| Wholesale trade | 191 | n.a. | 4 | 0 | 4 | n.a. | -27.1 | .0 | --- | --- |
| Retail trade | 688 | n.a. | 3 | 8 | 13 | n.a. | -4.2 | 333.3 | --- | --- |
| Commercial services | 238 | n.a. | 1 | 1 | 1 | n.a. | -24.0 | .0 | --- | --- |

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 12.3% vs. 12.6% in U.S., to \$20.0 billion —Payrolls up 24.2% in durables manufacturing vs. 15.2% in U.S. |
| Consumer prices | —Up 8.4% in Kansas City vs. 8.9% in U.S. |
| Employment | —Up 5.1% vs. 3.9% in U.S., to 1.1 million |
| Unemployment | —Down 13,000, to 30,000 —Rate down to 2.6% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 3.2% vs. 16.8% in U.S., to \$497.7 million —Valuation of nonbuilding contracts down 20.4% vs. 22.2% increase in U.S. —Number of dwelling-unit starts up 4.1% vs. near stability in U.S., to 4,718 |

TABLE 1.—Summary of Economic Indicators, United States and Kansas Through Fourth Quarter, 1978

| | United States | | | Kansas | | | U.S. | State | U.S. | State |
|--|--|------------|----------|---------|----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 16,641 | 17,848 | 18,857 | 20,040 | 12.4 | 13.3 | 12.6 | 12.3 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 9,264 | 9,558 | 10,504 | 10,815 | 12.1 | 13.4 | 12.6 | 13.2 |
| Civilian employment (thousands) | 92,442 | 96,010 | 1,092 | 1,084 | 1,127 | 1,139 | 4.1 | 3.3 | 3.9 | 5.1 |
| Unemployment (thousands) | 6,149 | 5,605 | 45 | 43 | 34 | 30 | -9.8 | -24.6 | -8.8 | -29.4 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 4.0 | 3.8 | 2.9 | 2.6 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 6,358 | 6,606 | 7,280 | n.a. | 16.3 | 14.5 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 10,038 | 10,804 | 10,947 | n.a. | 11.5 | 9.1 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 667,924 | 482,036 | 566,628 | 497,682 | 14.5 | -15.2 | 16.8 | 3.2 |
| Dwelling units started (number) | 445,772 | 443,075 | 4,901 | 4,534 | 5,856 | 4,718 | 1.0 | 19.5 | -6 | 4.1 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 1,059 | 1,034 | 874 | n.a. | 8.2 | -17.5 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 20 | 22 | 17 | n.a. | -9.5 | -15.0 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Kansas City | --- | --- | 180.6 | 182.7 | 194.3 | 198.1 | --- | 7.6 | --- | 8.4 |

n.a.: Data not available.

Source: See tables 2 through 8.

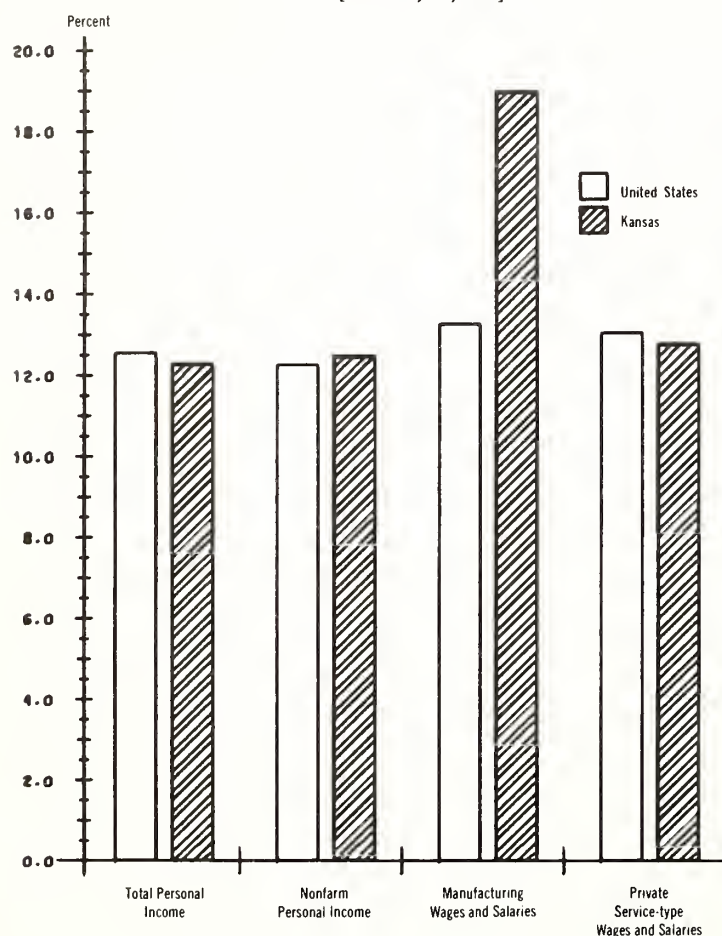
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.3 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, the State's personal income totaled \$20.0 billion, up \$2.2 billion since 1977:IV. Concurrently, farm personal income increased 8.9 percent in the State versus 26.3 percent nationally, and nonfarm personal income increased 12.5 percent, or slightly more than nationally. Since the most recent national business cycle peak in 1973:IV, Kansas' nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 13 percent more rapid than nationally, ranking Kansas 21st among all States.

From 1977:IV to 1978:IV, the **Consumer Price Index** for the Kansas City metropolitan area increased 8.4 percent versus an 8.9-percent national city average increase (table 3). If Kansas City's index is used as an indicator for price movements in the State, real total personal income in Kansas increased 3.9 percent versus 3.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 13.2 percent in the State versus 12.6 percent nationally. In 1978:IV, they totaled \$10.8 billion, up \$1.3 billion since 1977:IV. Durable goods manufacturing payrolls increased 24.2 percent, the fifth largest increase in the Nation, versus 15.2 percent nationally. The increase in durables payrolls accounted for over one-fourth of the year-to-year increase in all payrolls in the State. In contrast, nondurable goods manufacturing payrolls increased 10.2 percent in the State, only fractionally more than nationally.

Payrolls in construction increased 20.8 percent in Kansas, compared with a 20.1-percent national gain.

In the private service-type industry group, payrolls increased 12.8 percent, 0.3 percentage point less rapidly than in the Nation. In transportation-communication-public utilities, payrolls increased 10.7 percent versus 11.3 percent nationally, and in finance-insurance-real estate, payrolls increased 11.7 percent versus 13.2 percent nationally. Services payrolls increased 12.7 percent both statewide and nationally. In contrast, trade payrolls increased slightly more in the State, 14.4 percent, than nationally, 14.1 percent.

State and local government payrolls in Kansas registered the fourth smallest increase in the Nation, 2.9 percent, compared with a national increase of 6.8 percent. Federal Government payrolls increased 6.5 percent in Kansas, 0.6 percentage point less than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 36.8 percent in Kansas and 30.3 percent nationally.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

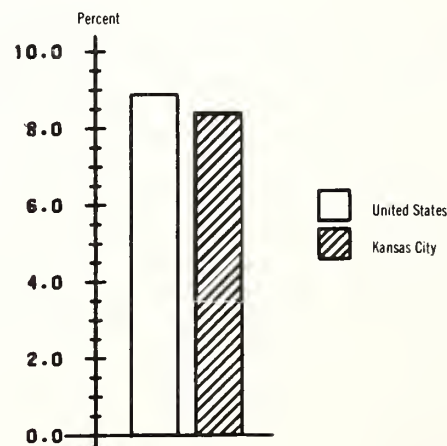


Chart 3.—Total Personal Income
[Seasonally adjusted]

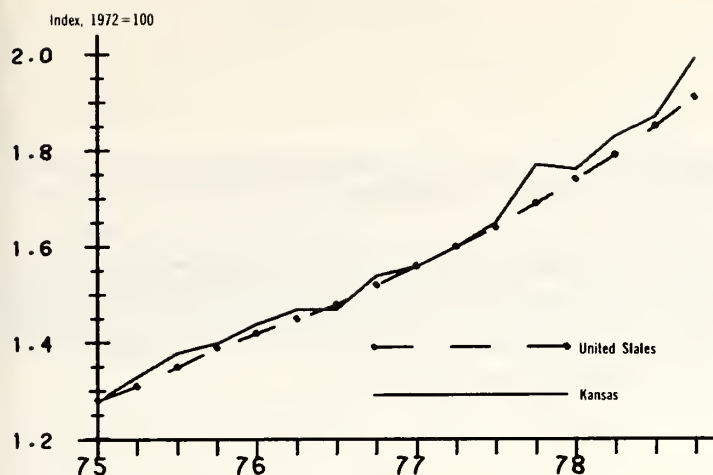


Chart 4.—Industrial Composition of Wages and Salaries: Kansas
[Seasonally adjusted]

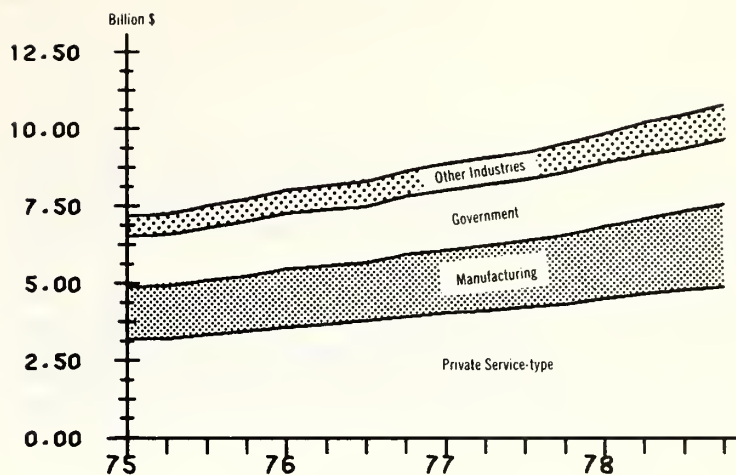


TABLE 2.—Personal Income, United States and Kansas Through Fourth Quarter, 1978

| | United States | | | Kansas | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 16,641 | 17,848 | 18,857 | 20,040 | 12.4 | 13.3 | 12.6 | 12.3 |
| Farm personal income | 31,224 | 39,451 | 481 | 1,217 | 681 | 1,325 | 47.9 | 41.6 | 26.3 | 8.9 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 16,160 | 16,631 | 18,176 | 18,715 | 11.9 | 12.5 | 12.3 | 12.5 |
| Total personal income | 1,583,508 | 1,782,519 | 16,641 | 17,848 | 18,857 | 20,040 | 12.4 | 13.3 | 12.6 | 12.3 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 9,264 | 9,558 | 10,504 | 10,815 | 12.1 | 13.4 | 12.6 | 13.2 |
| Other labor income | 96,016 | 111,719 | 884 | 928 | 1,065 | 1,098 | 17.0 | 20.5 | 16.4 | 18.3 |
| Proprietors' income | 105,953 | 125,995 | 1,559 | 2,317 | 1,921 | 2,622 | 21.5 | 23.2 | 18.9 | 13.2 |
| Farm | 23,636 | 31,044 | 343 | 1,074 | 529 | 1,166 | 66.6 | 54.4 | 31.3 | 8.6 |
| Nonfarm | 82,317 | 94,951 | 1,216 | 1,243 | 1,391 | 1,456 | 12.8 | 14.4 | 15.3 | 17.2 |
| Dividends, interest, and rent | 214,992 | 242,442 | 2,789 | 2,862 | 3,112 | 3,200 | 12.3 | 11.6 | 12.8 | 11.8 |
| Transfer payments | 215,944 | 233,750 | 2,082 | 2,125 | 2,262 | 2,297 | 8.8 | 8.6 | 8.2 | 8.1 |
| State unemployment insurance benefits | 11,128 | 7,753 | 78 | 80 | 51 | 51 | -24.0 | -35.3 | -30.3 | -36.8 |
| Less: personal contributions | 62,212 | 71,610 | 693 | 711 | 814 | 829 | 14.8 | 17.5 | 15.1 | 16.6 |
| Plus: residence adjustment | -401 | -473 | 756 | 769 | 808 | 837 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 9,264 | 9,558 | 10,504 | 10,815 | 12.1 | 13.4 | 12.6 | 13.2 |
| Farm | 7,176 | 7,939 | 135 | 139 | 147 | 154 | 8.5 | 9.3 | 10.6 | 11.3 |
| Nonfarm | 1,006,040 | 1,132,757 | 9,130 | 9,419 | 10,357 | 10,661 | 12.1 | 13.4 | 12.6 | 13.2 |
| Mining | 14,048 | 18,813 | 160 | 170 | 210 | 215 | 26.5 | 31.4 | 33.9 | 26.5 |
| Construction | 55,648 | 66,858 | 572 | 598 | 699 | 722 | 19.1 | 22.1 | 20.1 | 20.8 |
| Manufacturing | 276,112 | 312,970 | 2,150 | 2,238 | 2,565 | 2,664 | 12.1 | 19.3 | 13.3 | 19.0 |
| Durable goods | 176,216 | 203,053 | 1,348 | 1,416 | 1,675 | 1,758 | 13.7 | 24.3 | 15.2 | 24.2 |
| Nondurable goods | 99,896 | 109,917 | 802 | 823 | 889 | 906 | 9.4 | 10.8 | 10.0 | 10.2 |
| Private service-type | 455,764 | 515,348 | 4,254 | 4,357 | 4,805 | 4,916 | 12.8 | 12.9 | 13.1 | 12.8 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 874 | 904 | 971 | 1,001 | 10.4 | 11.0 | 11.3 | 10.7 |
| Wholesale and retail trade | 170,888 | 195,035 | 1,714 | 1,750 | 1,960 | 2,001 | 13.6 | 14.4 | 14.1 | 14.4 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 454 | 472 | 518 | 528 | 14.1 | 14.2 | 13.2 | 11.7 |
| Services | 153,840 | 173,396 | 1,213 | 1,231 | 1,356 | 1,386 | 12.6 | 11.8 | 12.7 | 12.7 |
| Government | 201,252 | 215,083 | 1,969 | 2,030 | 2,049 | 2,115 | 7.4 | 4.1 | 6.9 | 4.2 |
| Federal | 68,176 | 73,003 | 677 | 711 | 716 | 757 | 7.3 | 5.8 | 7.1 | 6.5 |
| State and local | 133,076 | 142,080 | 1,292 | 1,320 | 1,334 | 1,359 | 7.5 | 3.2 | 6.8 | 2.9 |
| Other | 3,216 | 3,685 | 25 | 26 | 29 | 28 | 18.7 | 15.7 | 14.6 | 9.6 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Kansas Through Fourth Quarter, 1978¹

| | United States | | | Kansas | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|---------------------|-------|-------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III – 1978:III | | 1977:IV – 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Kansas City | --- | --- | 180.6 | 182.7 | 194.3 | 198.1 | --- | 7.6 | --- | 8.4 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Kansas' **civilian labor force** increased 3.8 percent versus 3.1 percent nationally (table 4). **Total employment** increased 5.1 percent versus 3.9 percent nationally, to more than 1.1 million.

With employment increasing by about 55,000 and the labor force increasing by about 43,000, the number of **unemployed** declined between 12,000 and 13,000, to 30,000. Kansas' **unemployment rate** declined 1.2 percentage points, to 2.6 percent of the labor force; this was the lowest unemployment rate in the Nation, along with the 2.6-percent rate

registered in South Dakota. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

According to preliminary data for December 1978, when the State's unemployment rate was 2.7 percent, the unemployment rate was 3.4 percent in Topeka and 2.6 percent in Wichita. From December 1977 to December 1978, the State's unemployment rate declined 1.0 percentage point; the rates in Topeka and Wichita declined 0.6 percentage point and 1.5 percentage points, respectively.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Kansas

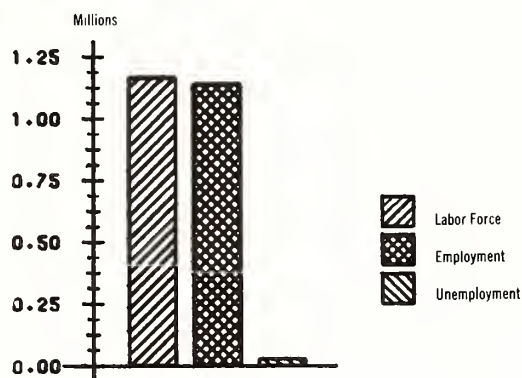


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

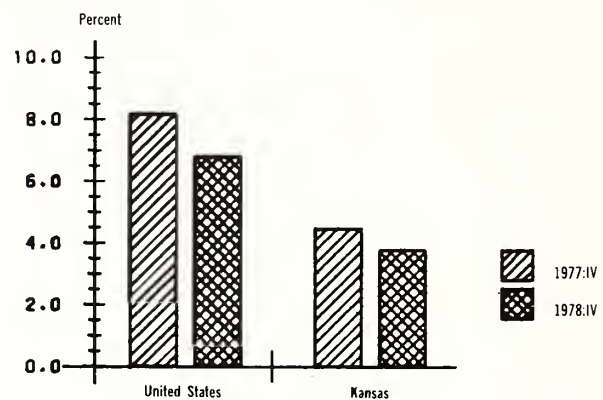


TABLE 4.—Labor Force, United States and Kansas Through Fourth Quarter, 1978

| | United States | | | Kansas | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 877 | 892 | 916 | 930 | 4.3 | 4.5 | 4.2 | 4.2 |
| Mining | 787 | 899 | 12 | 12 | 13 | 13 | 8.2 | 6.6 | 14.2 | 4.9 |
| Construction | 4,032 | 4,488 | 49 | 47 | 51 | 49 | 10.4 | 3.7 | 11.3 | 3.4 |
| Manufacturing | 19,986 | 20,722 | 175 | 175 | 189 | 193 | 3.1 | 7.6 | 3.7 | 9.9 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 60 | 61 | 64 | 64 | 3.8 | 6.0 | 4.4 | 5.6 |
| Wholesale and retail trade | 19,152 | 20,015 | 213 | 220 | 222 | 225 | 5.3 | 4.0 | 4.5 | 1.9 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 45 | 44 | 46 | 45 | 4.8 | 2.7 | -2.0 | 2.5 |
| Services | 15,539 | 16,215 | 152 | 150 | 159 | 158 | 4.6 | 4.6 | 4.4 | 5.1 |
| Government | 15,434 | 15,656 | 170 | 181 | 173 | 183 | 2.1 | 2.1 | 1.4 | .9 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,137 | 1,127 | 1,161 | 1,170 | 3.2 | 2.2 | 3.1 | 3.8 |
| Total employed | 92,442 | 96,010 | 1,092 | 1,084 | 1,127 | 1,139 | 4.1 | 3.3 | 3.9 | 5.1 |
| Total unemployed | 6,149 | 5,605 | 45 | 43 | 34 | 30 | -9.8 | -24.6 | -8.8 | -29.4 |
| Percent unemployed | 6.2 | 5.5 | 4.0 | 3.8 | 2.9 | 2.6 | — | -4.4 | — | — |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

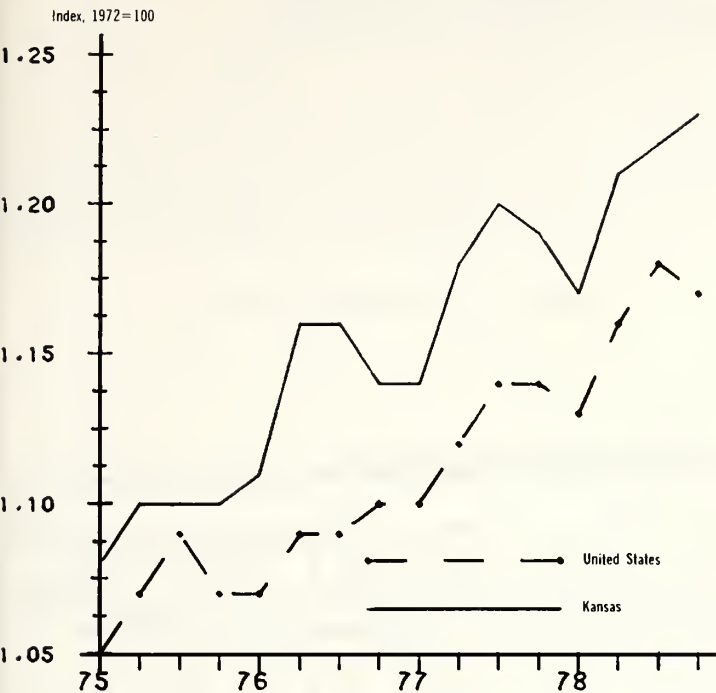


Chart 8.—Civilian Employment

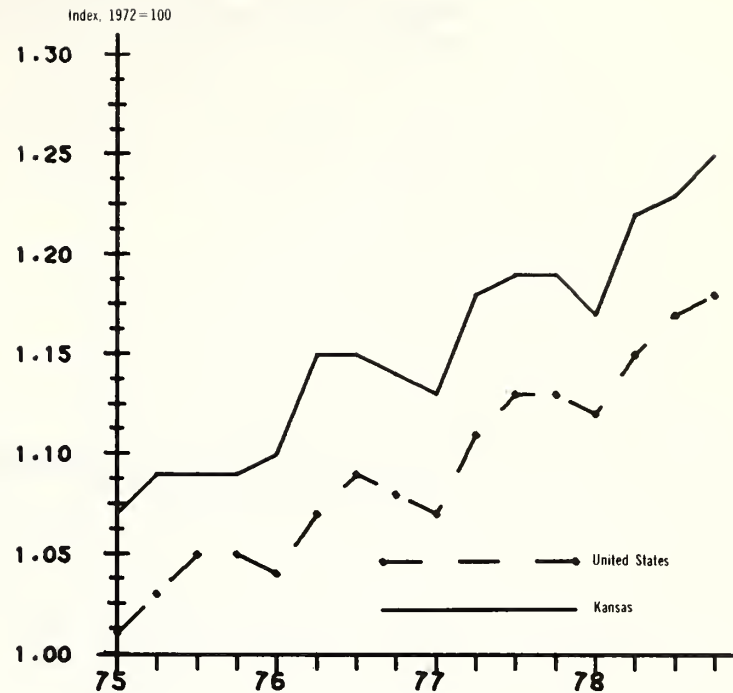


Chart 9.—Unemployment Rate

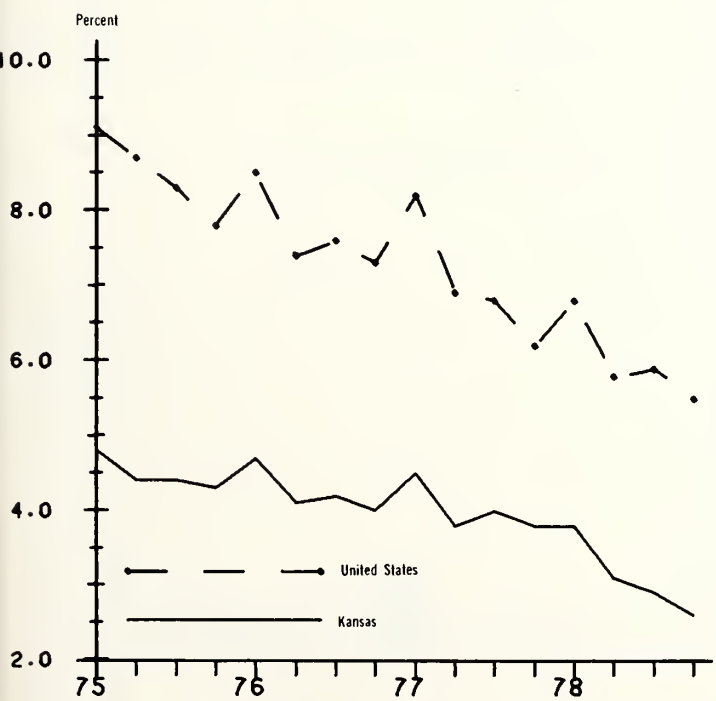
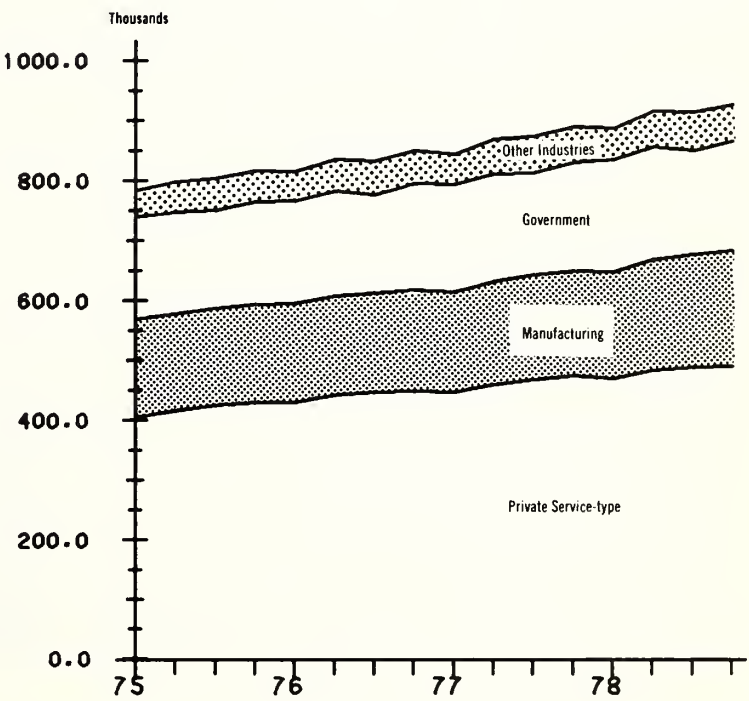


Chart 10.—Industrial Composition of Nonagricultural Employment: Kansas



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Kansas Through Fourth Quarter, 1978

| | United States | | | Kansas | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 6,358 | 6,606 | 7,280 | n.a. | 16.3 | 14.5 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 1,546 | 1,602 | 1,781 | n.a. | 14.2 | 15.2 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 1,651 | 1,697 | 1,884 | n.a. | 20.2 | 14.1 | --- | --- |
| Real estate | 177,935 | n.a. | 1,287 | 1,361 | 1,615 | n.a. | 19.9 | 25.4 | --- | --- |
| Residential | 101,236 | n.a. | 589 | 624 | 743 | n.a. | 21.3 | 26.2 | --- | --- |
| Farms | 7,731 | n.a. | 196 | 203 | 215 | n.a. | 10.7 | 9.8 | --- | --- |
| Other | 68,968 | n.a. | 503 | 534 | 657 | n.a. | 19.0 | 30.6 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 1,616 | 1,661 | 1,705 | n.a. | 6.8 | 5.6 | --- | --- |
| Other | 69,947 | n.a. | 259 | 285 | 295 | n.a. | 8.0 | 13.8 | --- | --- |
| Total deposits | 925,511 | n.a. | 10,038 | 10,804 | 10,947 | n.a. | 11.5 | 9.1 | --- | --- |
| Demand | 377,683 | n.a. | 3,487 | 4,118 | 3,796 | n.a. | 10.2 | 8.9 | --- | --- |
| Time and savings | 547,828 | n.a. | 6,551 | 6,686 | 7,151 | n.a. | 12.3 | 9.2 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased only 3.2 percent (\$15.6 million), to \$497.7 million (table 6). The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Kansas sustained a real decline of about 10 percent, compared with a real increase in the Nation of about 4 percent.

Nonbuilding contracts declined 20.4 percent in valuation versus a 22.2-percent national increase. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 30.1 percent, compared with a U.S. decline of 16.3 percent.

Nonresidential contracts increased 4.7 percent in valuation, less than one-third of the national increase.

Contracts for additions and alterations to residential housekeeping units increased only 1.2 percent in valuation versus 14.6 percent nationally. The valuation of residential housekeeping contracts, in contrast, increased 17.2 percent, 1.6 percentage points more than nationally. The number of dwelling units started increased 4.1 percent (184 units), to 4,718 units. Nationally, the number of dwelling units started was almost unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

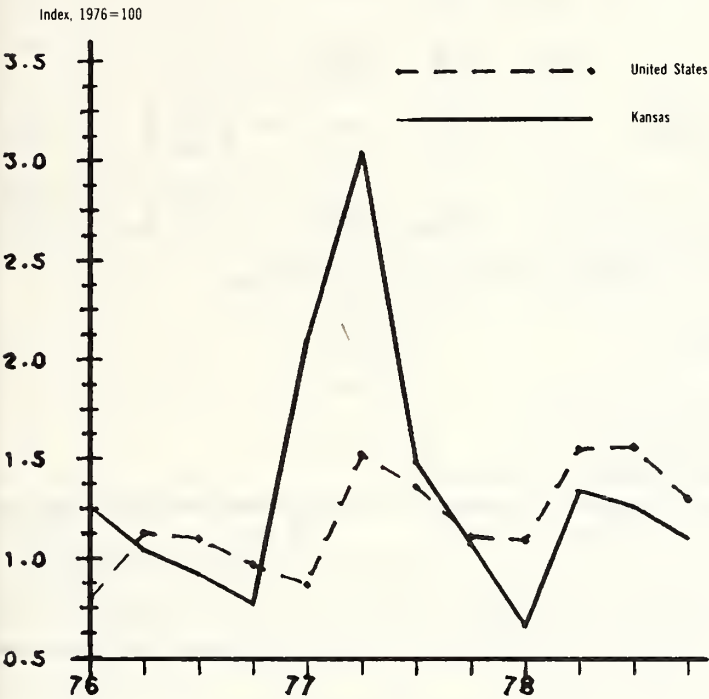


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Kansas

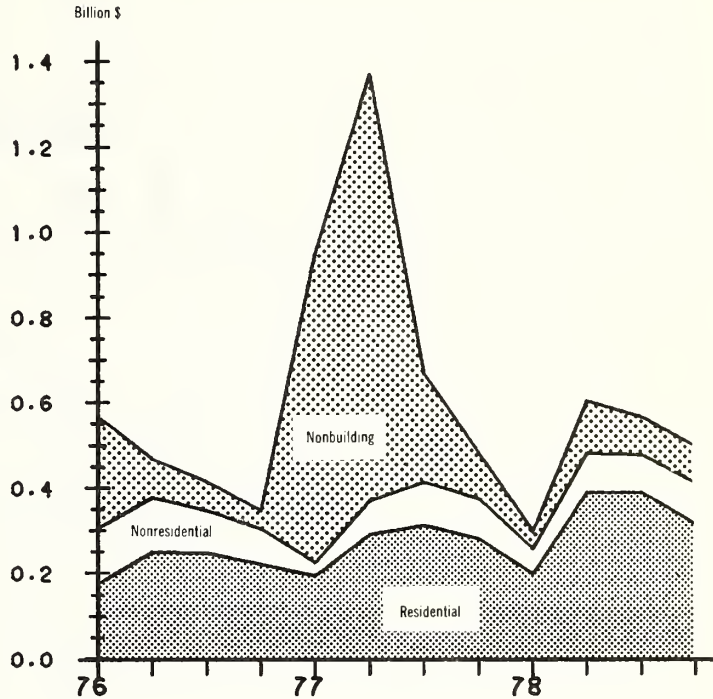


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

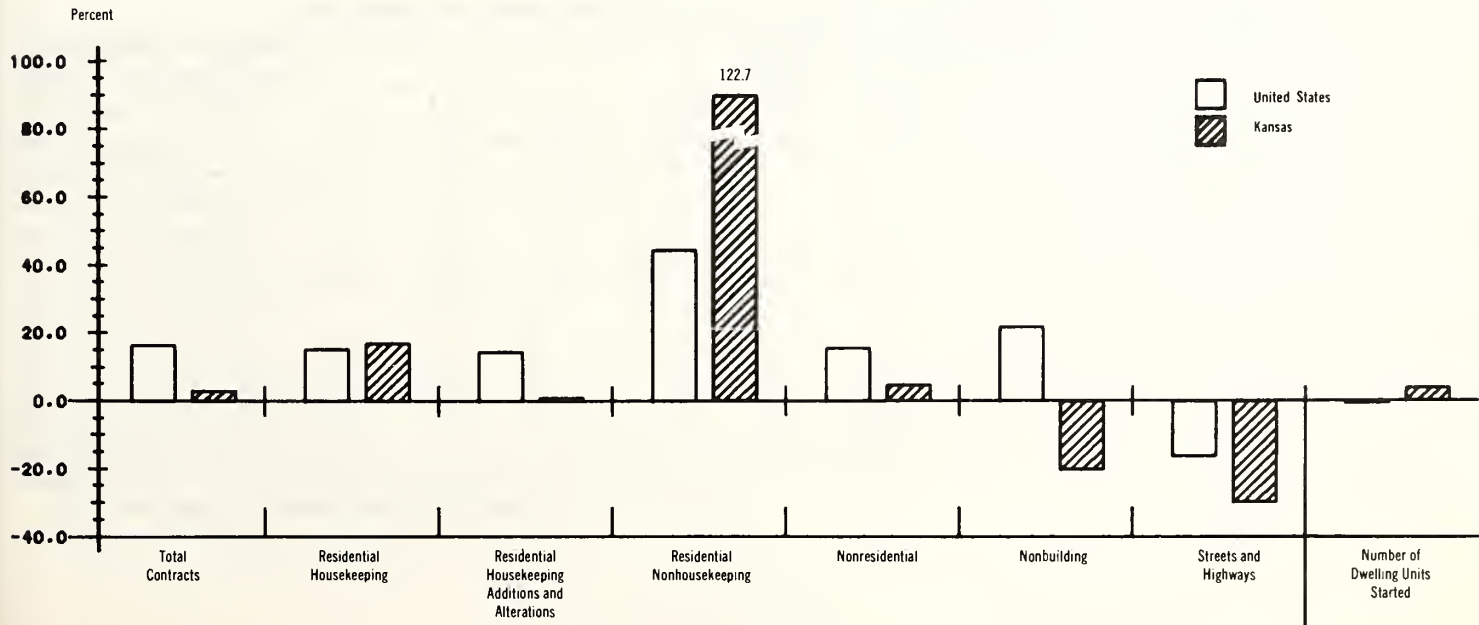


TABLE 6.—Construction Contracts, United States and Kansas Through Fourth Quarter, 1978¹

| | United States | | | Kansas | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|---------|----------|---------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 667,924 | 482,036 | 566,628 | 497,682 | 14.5 | -15.2 | 16.8 | 3.2 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 113,245 | 102,073 | 125,321 | 103,292 | 16.8 | 10.7 | 14.6 | 1.2 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,084 | 1,031 | 934 | 893 | 4.4 | -13.8 | -9.3 | -13.4 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 554,679 | 379,963 | 441,307 | 394,390 | 14.0 | -20.4 | 17.4 | 3.8 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 11,226 | 9,852 | 12,384 | 10,801 | 10.8 | 10.3 | 10.2 | 9.6 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 392 | 396 | 365 | 366 | -5.1 | -6.9 | -4.3 | -7.6 |
| Number of dwelling units | 445,772 | 443,075 | 4,901 | 4,534 | 5,856 | 4,718 | 1.0 | 19.5 | -6 | 4.1 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 198,821 | 178,755 | 261,647 | 209,583 | 15.3 | 31.6 | 15.6 | 17.2 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 7,417 | 6,741 | 9,513 | 7,721 | 10.3 | 28.3 | 10.7 | 14.5 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 4 | 4 | 4 | 8 | -10.0 | .0 | -4 | 100.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 1,813 | 1,151 | 3,880 | 2,563 | 9.4 | 114.0 | 44.8 | 122.7 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 76 | 28 | 101 | 55 | -7 | 33.5 | 24.7 | 93.0 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 338 | 320 | 259 | 223 | -2.5 | -23.4 | -12.0 | -30.3 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 102,043 | 91,776 | 88,940 | 96,064 | 27.6 | -12.8 | 15.8 | 4.7 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 3,733 | 3,083 | 2,770 | 3,025 | 12.2 | -25.8 | 8.9 | -1.9 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 350 | 311 | 306 | 296 | 22.4 | -12.6 | -9.1 | -4.8 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 252,002 | 108,281 | 86,840 | 86,180 | -1 | -65.5 | 22.2 | -20.4 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 116 | 89 | 101 | 76 | 9.3 | -12.9 | -17.8 | -14.6 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 50,297 | 51,304 | 35,065 | 35,872 | 3.0 | -30.3 | -16.3 | -30.1 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Kansas are not available.

TABLE 7.—Retail Sales, United States and Kansas Through Fourth Quarter, 1978

| | United States | | | Kansas | | | U.S. | State | U.S. | State |
|------------------------|--|---------|----------|---------|----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

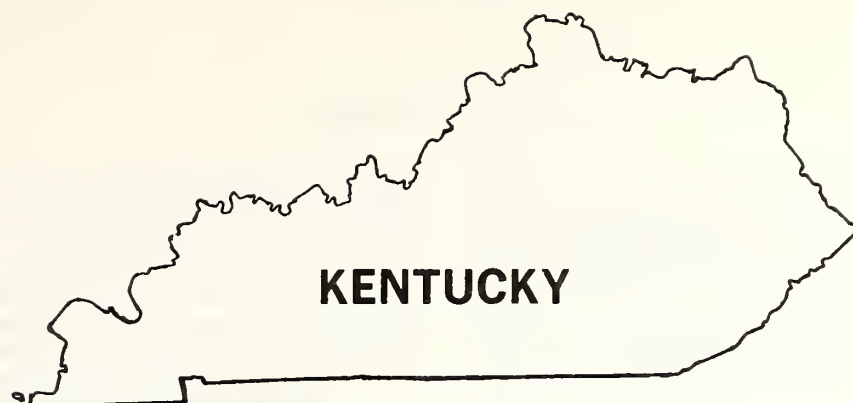
Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Kansas Through Fourth Quarter, 1978

| | United States | | | Kansas | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 1,059 | 1,034 | 874 | n.a. | 8.2 | -17.5 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 20 | 22 | 17 | n.a. | -9.5 | -15.0 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 3,405 | 1,942 | 2,467 | n.a. | -44.2 | -27.5 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 170 | 88 | 145 | n.a. | -38.4 | -14.7 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 1 | 0 | 2 | n.a. | -10.1 | 100.0 | --- | --- |
| Construction | 319 | n.a. | 5 | 5 | 5 | n.a. | 1.0 | .0 | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 5 | 3 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 10 | 10 | 6 | n.a. | -4.2 | -40.0 | --- | --- |
| Commercial services | 238 | n.a. | 4 | 2 | 1 | n.a. | -24.0 | -75.0 | --- | --- |

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 13.2% vs. 12.6% in U.S., to \$24.4 billion —Farm personal income down 23.7% vs. 26.3% increase in U.S. —Payrolls up 20.0% in trade vs. 14.1% in U.S. |
| Consumer prices | —Up 11.1% in Cincinnati vs. 8.9% in U.S. |
| Employment | —Up 0.8% vs. 3.9% in U.S., to 1.5 million |
| Unemployment | —Up 8,000, to 77,000 —Rate up to 4.9% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 31.1% vs. 16.8% in U.S., to \$1.0 billion —Valuation of nonbuilding contracts up 45.3% vs. 22.2% in U.S. —Number of dwelling-unit starts little changed, as in U.S., at 8,308 |

TABLE 1.—Summary of Economic Indicators, United States and Kentucky Through Fourth Quarter, 1978

| | United States | | | Kentucky | | | U.S. | State | U.S. | State |
|--|--|------------|----------|----------|-----------|-----------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 20,869 | 21,573 | 23,695 | 24,418 | 12.4 | 13.5 | 12.6 | 13.2 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 12,693 | 13,071 | 14,371 | 15,024 | 12.1 | 13.2 | 12.6 | 14.9 |
| Civilian employment (thousands) | 92,442 | 96,010 | 1,475 | 1,490 | 1,515 | 1,503 | 4.1 | 2.7 | 3.9 | .8 |
| Unemployment (thousands) | 6,149 | 5,605 | 63 | 69 | 81 | 77 | -9.8 | 28.1 | -8.8 | 10.6 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 4.1 | 4.5 | 5.1 | 4.9 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 7,521 | 7,851 | 9,007 | n.a. | 16.3 | 19.8 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 11,205 | 12,182 | 12,622 | n.a. | 11.5 | 12.6 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 776,747 | 762,633 | 1,326,243 | 1,000,135 | 14.5 | 70.7 | 16.8 | 31.1 |
| Dwelling units started (number) | 445,772 | 443,075 | 9,202 | 8,363 | 9,726 | 8,308 | 1.0 | 5.7 | -6 | -7 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 1,357 | 1,278 | 1,281 | n.a. | 8.2 | -5.6 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 22 | 18 | 26 | n.a. | -9.5 | 18.2 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Cincinnati | --- | --- | 185.2 | 186.7 | 202.3 | 207.5 | --- | 9.2 | --- | 11.1 |

n.a.: Data not available.

Source: See tables 2 through 8.

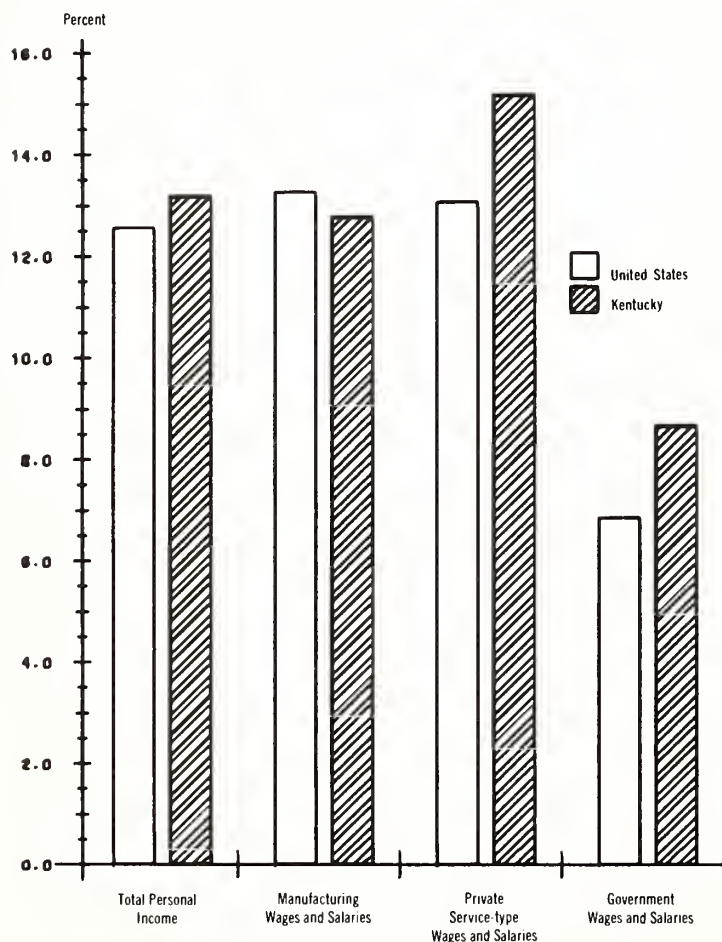
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.2 percent from 1977:IV to 1978:IV, compared with a 12.6-percent national increase (table 2). In 1978:IV, the State's personal income totaled \$24.4 billion, up \$2.8 billion since 1977:IV. Kentucky's increase in total personal income would have been larger had it not been for a 23.7-percent decline in farm personal income, the second largest decline in the Nation, compared with a national increase of 26.3 percent. The State's nonfarm personal income increased 14.2 percent from year to year versus 12.3 percent nationally. Since the most recent national business cycle peak in 1973:IV, Kentucky's economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 21 percent more than nationally, ranking Kentucky 12th among all States.

From 1977:IV to 1978:IV, the **Consumer Price Index** for the Cincinnati metropolitan area increased 11.1 percent versus an 8.9-percent national city average increase (table 3). If Cincinnati's index is used as an indicator for price movements in the State, real total personal income in Kentucky increased only 2.1 percent from year to year versus 3.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)



Wage and salary disbursements (payrolls) increased 14.9 percent in the State, one of the largest increases in the Nation, compared with a national increase of 12.6 percent.

Within Kentucky's private service-type industry group, trade payrolls increased 20.0 percent from year to year, almost 6 percentage points more than nationally; Kentucky's increase was the sixth largest in the Nation. The dollar increase in trade payrolls accounted for one-fifth of the year-to-year increase in all payrolls in the State. Payrolls in transportation-communication-public utilities increased 11.5 percent versus 11.3 percent nationally, and services payrolls increased 12.9 percent versus 12.7 percent nationally. In contrast, payrolls in finance-insurance-real estate increased 9.8 percent, compared with a 13.2-percent increase nationally; Kentucky's increase ranked 43rd in the Nation.

State and local government payrolls increased 12.0 percent in Kentucky, the sixth largest increase in the Nation; nationally, State and local government payrolls increased 6.8 percent. In contrast, Federal Government payrolls increased 4.1 percent, one of the smallest increases in the Nation, compared with a national increase of 7.1 percent.

Payrolls in the construction industry increased 26.0 percent in the State versus 20.1 percent nationally. Mining payrolls increased 31.2 percent versus 33.9 percent nationally; the dollar increase in mining payrolls accounted for 15 percent of the year-to-year increase in all payrolls in the State.

Durable goods manufacturing payrolls increased 16.4 percent, 1.2 percentage points more than nationally. In contrast, nondurable goods manufacturing payrolls increased 7.1 percent, one of the smallest increases in the Nation, compared with a 10.0-percent national increase.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 37.2 percent in Kentucky and 30.3 percent nationally.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

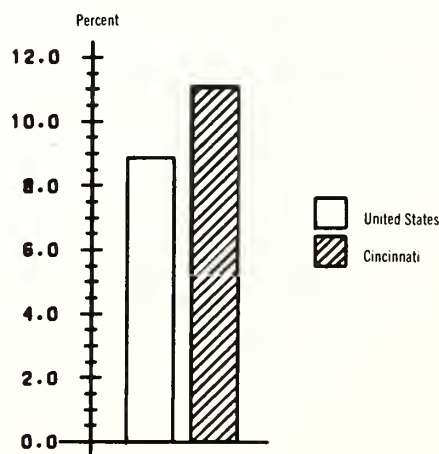


Chart 3.—Total Personal Income
[Seasonally adjusted]

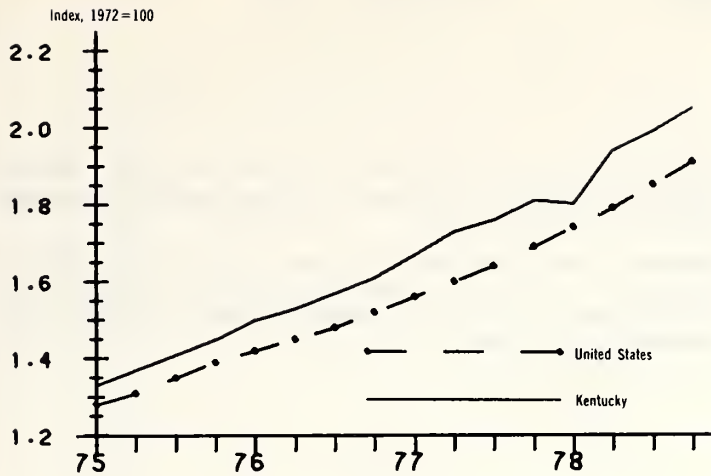


Chart 4.—Industrial Composition of Wages and Salaries: Kentucky
[Seasonally adjusted]

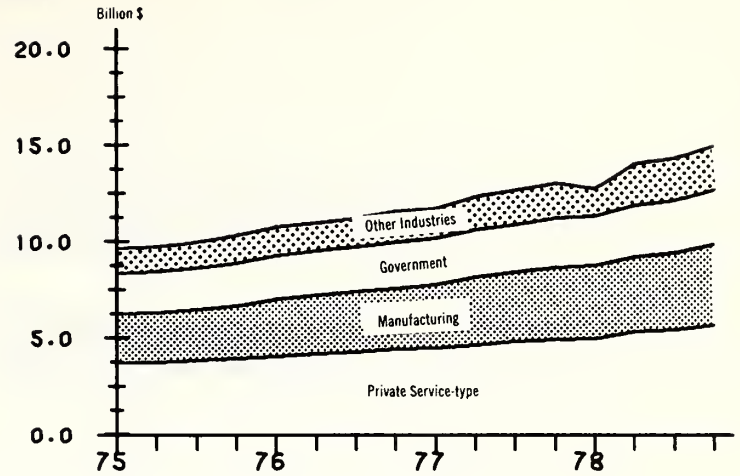


TABLE 2.—Personal Income, United States and Kentucky Through Fourth Quarter, 1978

| | United States | | | Kentucky | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 20,869 | 21,573 | 23,695 | 24,418 | 12.4 | 13.5 | 12.6 | 13.2 |
| Farm personal income..... | 31,224 | 39,451 | 463 | 571 | 609 | 436 | 47.9 | 31.6 | 26.3 | -23.7 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 20,406 | 21,001 | 23,085 | 23,982 | 11.9 | 13.1 | 12.3 | 14.2 |
| Total personal income | 1,583,508 | 1,782,519 | 20,869 | 21,573 | 23,695 | 24,418 | 12.4 | 13.5 | 12.6 | 13.2 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 12,693 | 13,071 | 14,371 | 15,024 | 12.1 | 13.2 | 12.6 | 14.9 |
| Other labor income | 96,016 | 111,719 | 1,522 | 1,584 | 1,801 | 1,895 | 17.0 | 18.3 | 16.4 | 19.6 |
| Proprietors' income..... | 105,953 | 125,995 | 1,677 | 1,809 | 2,038 | 1,923 | 21.5 | 21.5 | 18.9 | 6.3 |
| Farm | 23,636 | 31,044 | 356 | 462 | 496 | 318 | 66.6 | 39.5 | 31.3 | -31.2 |
| Nonfarm | 82,317 | 94,951 | 1,322 | 1,347 | 1,542 | 1,606 | 12.8 | 16.7 | 15.3 | 19.2 |
| Dividends, interest, and rent | 214,992 | 242,442 | 2,517 | 2,579 | 2,828 | 2,913 | 12.3 | 12.4 | 12.8 | 12.9 |
| Transfer payments | 215,944 | 233,750 | 3,138 | 3,232 | 3,460 | 3,506 | 8.8 | 10.3 | 8.2 | 8.5 |
| State unemployment insurance benefits | 11,128 | 7,753 | 101 | 140 | 101 | 88 | -24.0 | .3 | -30.3 | -37.2 |
| Less: personal contributions | 62,212 | 71,610 | 817 | 830 | 942 | 975 | 14.8 | 15.2 | 15.1 | 17.5 |
| Plus: residence adjustment..... | -401 | -473 | 139 | 128 | 138 | 132 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 12,693 | 13,071 | 14,371 | 15,024 | 12.1 | 13.2 | 12.6 | 14.9 |
| Farm | 7,176 | 7,939 | 105 | 107 | 111 | 116 | 8.5 | 5.5 | 10.6 | 8.0 |
| Nonfarm | 1,006,040 | 1,132,757 | 12,588 | 12,964 | 14,260 | 14,909 | 12.1 | 13.3 | 12.6 | 15.0 |
| Mining..... | 14,048 | 18,813 | 919 | 923 | 1,134 | 1,211 | 26.5 | 23.4 | 33.9 | 31.2 |
| Construction | 55,648 | 66,858 | 725 | 769 | 968 | 970 | 19.1 | 33.5 | 20.1 | 26.0 |
| Manufacturing | 276,112 | 312,970 | 3,614 | 3,726 | 3,968 | 4,205 | 12.1 | 9.8 | 13.3 | 12.8 |
| Durable goods | 176,216 | 203,053 | 2,177 | 2,289 | 2,455 | 2,665 | 13.7 | 12.8 | 15.2 | 16.4 |
| Nondurable goods | 99,896 | 109,917 | 1,437 | 1,438 | 1,513 | 1,540 | 9.4 | 5.3 | 10.0 | 7.1 |
| Private service-type | 455,764 | 515,348 | 4,828 | 4,953 | 5,471 | 5,703 | 12.8 | 13.3 | 13.1 | 15.2 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 979 | 1,007 | 1,061 | 1,123 | 10.4 | 8.4 | 11.3 | 11.5 |
| Wholesale and retail trade | 170,888 | 195,035 | 1,947 | 1,979 | 2,283 | 2,375 | 13.6 | 17.2 | 14.1 | 20.0 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 469 | 485 | 518 | 533 | 14.1 | 10.5 | 13.2 | 9.8 |
| Services..... | 153,840 | 173,396 | 1,433 | 1,482 | 1,609 | 1,673 | 12.6 | 12.3 | 12.7 | 12.9 |
| Government..... | 201,252 | 215,083 | 2,477 | 2,567 | 2,689 | 2,790 | 7.4 | 8.6 | 6.9 | 8.7 |
| Federal..... | 68,176 | 73,003 | 1,042 | 1,088 | 1,089 | 1,133 | 7.3 | 4.5 | 7.1 | 4.1 |
| State and local | 133,076 | 142,080 | 1,435 | 1,479 | 1,600 | 1,657 | 7.5 | 11.5 | 6.8 | 12.0 |
| Other | 3,216 | 3,685 | 26 | 26 | 30 | 30 | 18.7 | 18.4 | 14.6 | 15.4 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Kentucky Through Fourth Quarter, 1978¹

| | United States | | | Kentucky | | | U.S. | State | U.S. | State |
|--------------------------|--|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967=100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Cincinnati..... | --- | --- | 185.2 | 186.7 | 202.3 | 207.5 | --- | 9.2 | --- | 11.1 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Kentucky's **civilian labor force** increased 1.2 percent versus 3.1 percent nationally (table 4). Kentucky's increase was one of the smallest in the Nation. **Total employment** increased only 0.8 percent versus 3.9 percent nationally, to 1.5 million; the State's increase ranked 47th.

With the labor force increasing by about 19,000 and employment increasing considerably less, the number of **unemployed** increased about 8,000, to 77,000. Kentucky's **unemployment rate** increased 0.4

percentage point, to 4.9 percent of the labor force. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Preliminary data for December 1978, when the State's unemployment rate was 5.2 percent, show unemployment rates of 4.8 percent in Louisville and 3.3 percent in Lexington-Fayette, both down only fractionally from December 1977 levels.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Kentucky

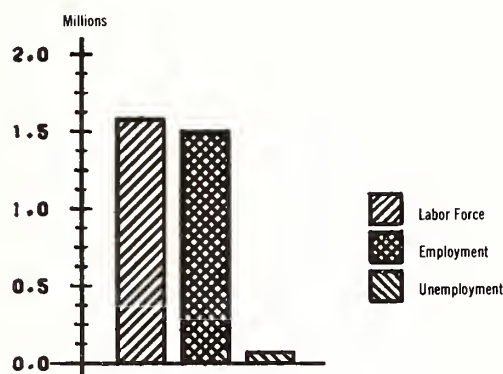


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

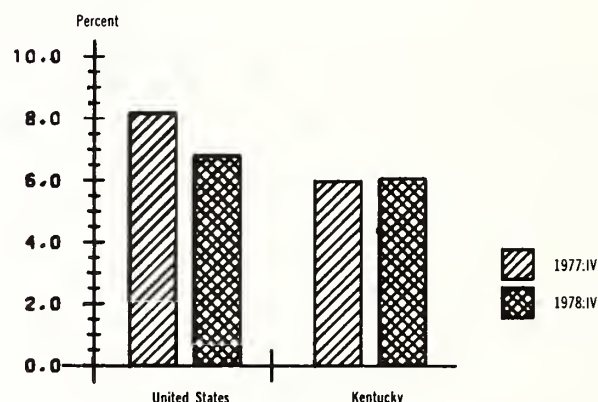


TABLE 4.—Labor Force, United States and Kentucky Through Fourth Quarter, 1978

| | United States | | | Kentucky | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,166 | 1,193 | 1,237 | 1,262 | 4.3 | 6.1 | 4.2 | 5.7 |
| Mining | 787 | 899 | 47 | 47 | 59 | 60 | 8.2 | 24.5 | 14.2 | 26.6 |
| Construction | 4,032 | 4,488 | 69 | 67 | 80 | 74 | 10.4 | 16.4 | 11.3 | 9.8 |
| Manufacturing | 19,986 | 20,722 | 284 | 288 | 294 | 300 | 3.1 | 3.3 | 3.7 | 3.8 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 65 | 66 | 69 | 69 | 3.8 | 5.2 | 4.4 | 5.8 |
| Wholesale and retail trade | 19,152 | 20,015 | 251 | 262 | 269 | 275 | 5.3 | 7.2 | 4.5 | 4.8 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 47 | 48 | 51 | 52 | 4.8 | 7.8 | -2.0 | 7.3 |
| Services | 15,539 | 16,215 | 186 | 188 | 190 | 192 | 4.6 | 2.6 | 4.4 | 2.5 |
| Government | 15,434 | 15,656 | 217 | 227 | 225 | 240 | 2.1 | 4.1 | 1.4 | 6.0 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,538 | 1,560 | 1,595 | 1,579 | 3.2 | 3.7 | 3.1 | 1.2 |
| Total employed | 92,442 | 96,010 | 1,475 | 1,490 | 1,515 | 1,503 | 4.1 | 2.7 | 3.9 | .8 |
| Total unemployed | 6,149 | 5,605 | 63 | 69 | 81 | 77 | -9.8 | 28.1 | -8.8 | 10.6 |
| Percent unemployed | 6.2 | 5.5 | 4.1 | 4.5 | 5.1 | 4.9 | — | — | — | — |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

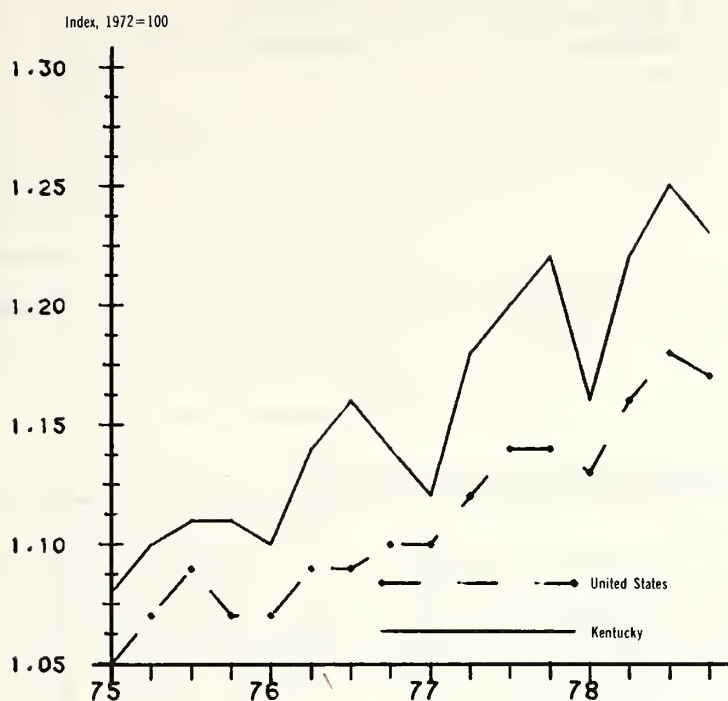


Chart 8.—Civilian Employment

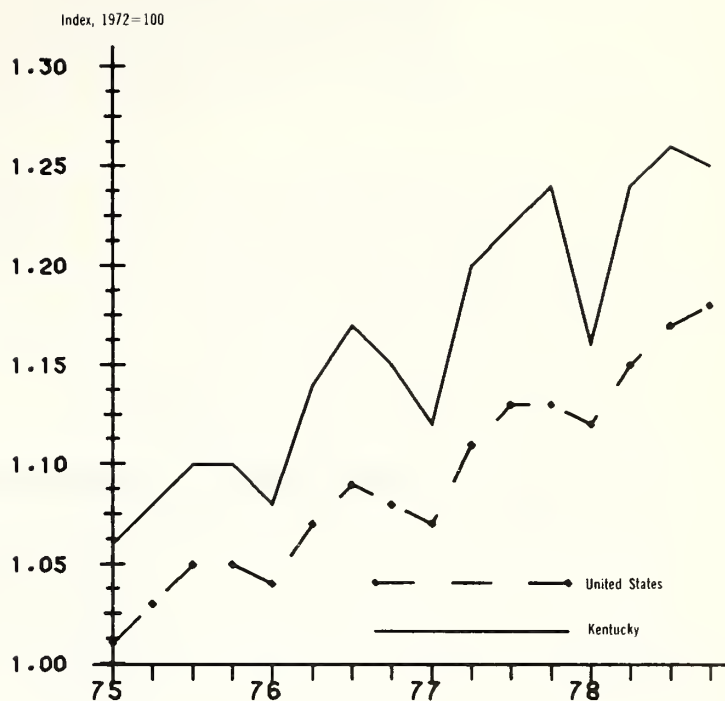


Chart 9.—Unemployment Rate

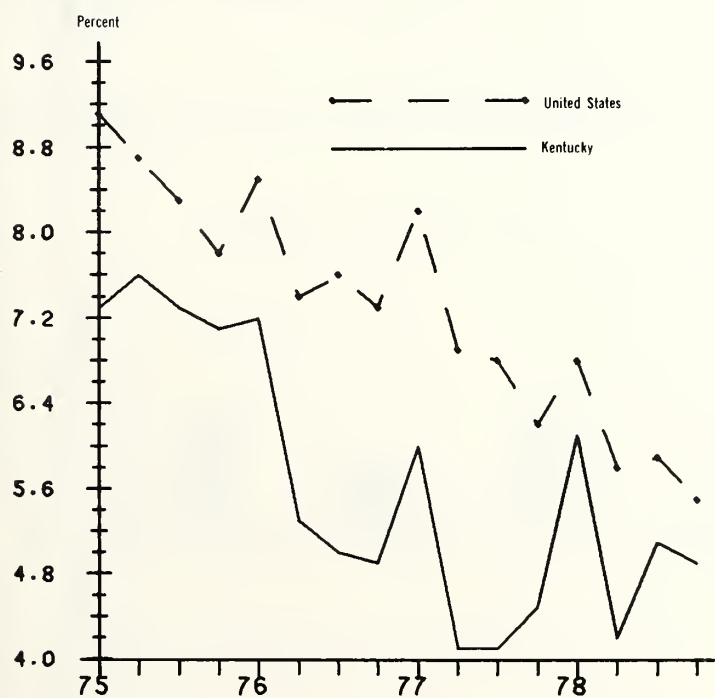
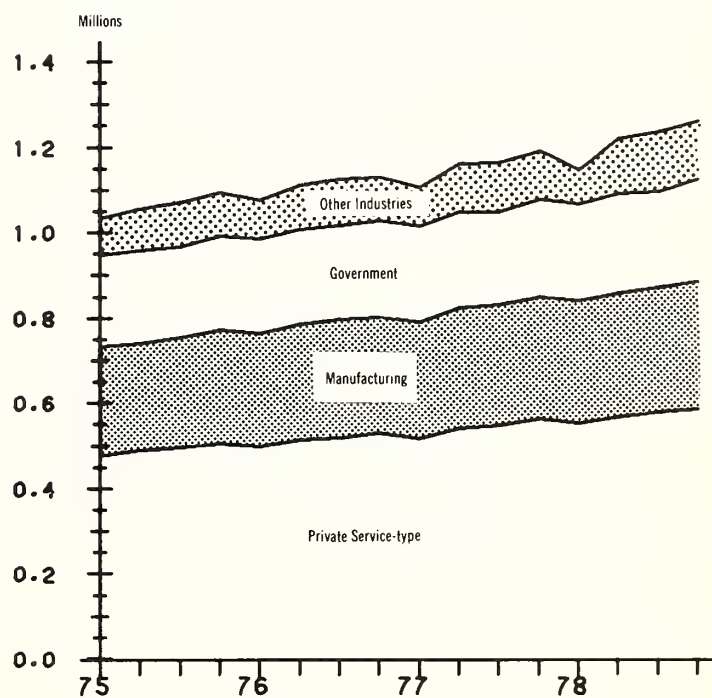


Chart 10.—Industrial Composition of Nonagricultural Employment: Kentucky



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Kentucky Through Fourth Quarter, 1978

| | United States | | | Kentucky | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 7,521 | 7,851 | 9,007 | n.a. | 16.3 | 19.8 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 1,596 | 1,708 | 2,020 | n.a. | 14.2 | 26.6 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 2,453 | 2,531 | 2,929 | n.a. | 20.2 | 19.4 | --- | --- |
| Real estate | 177,935 | n.a. | 2,690 | 2,799 | 3,211 | n.a. | 19.9 | 19.4 | --- | --- |
| Residential | 101,236 | n.a. | 1,353 | 1,428 | 1,675 | n.a. | 21.3 | 23.8 | --- | --- |
| Farms | 7,731 | n.a. | 398 | 406 | 445 | n.a. | 10.7 | 11.7 | --- | --- |
| Other | 68,968 | n.a. | 939 | 965 | 1,090 | n.a. | 19.0 | 16.2 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 407 | 397 | 453 | n.a. | 6.8 | 11.1 | --- | --- |
| Other | 69,947 | n.a. | 374 | 415 | 394 | n.a. | 8.0 | 5.2 | --- | --- |
| Total deposits | 925,511 | n.a. | 11,205 | 12,182 | 12,622 | n.a. | 11.5 | 12.6 | --- | --- |
| Demand | 377,683 | n.a. | 4,427 | 5,235 | 4,898 | n.a. | 10.2 | 10.6 | --- | --- |
| Time and savings | 547,828 | n.a. | 6,778 | 6,947 | 7,725 | n.a. | 12.3 | 14.0 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 31.1 percent (\$237.5 million), to \$1.0 billion (table 6). Kentucky's percent increase, one of the largest in the Nation, was almost twice the national increase. In 1978:IV, a \$250 million contract for the construction of an electric generating plant in Boone County and a \$41 million contract for the construction of a manufacturing plant in Muhlenberg County raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. It should be noted, however, that a \$75 million contract in 1977:IV for the construction of an electric generating plant in Webster County offset the distorting effect of the two large 1978:IV contracts. If all three contracts are excluded, the total valuation of contracts in Kentucky would have increased only 3.1 percent.

National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the real increase in the total valuation of contracts in Kentucky was about 18 percent (including the three contracts noted above) versus about 4 percent nationally.

Primarily reflecting the electric generating plant contracts, nonbuilding contracts increased 45.3 percent in valuation, compared with a 22.2-percent national increase. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 53.1 percent in the State and 16.3 percent nationally. Kentucky's decline was one of the largest in the Nation.

Reflecting the manufacturing plant contract, the valuation of nonresidential contracts increased 33.1 percent, more than twice as much as nationally.

Contracts for residential housekeeping additions and alterations increased 31.2 percent in valuation, one of the largest increases in the Nation. Nationally, addition and alteration contracts increased 14.6 percent in valuation. The valuation of residential housekeeping contracts increased 17.8 percent, compared with a 15.6-percent national increase. In contrast, the number of dwelling units started in Kentucky was virtually unchanged, at 8,308 units. Nationally, the number of dwelling units started was virtually unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

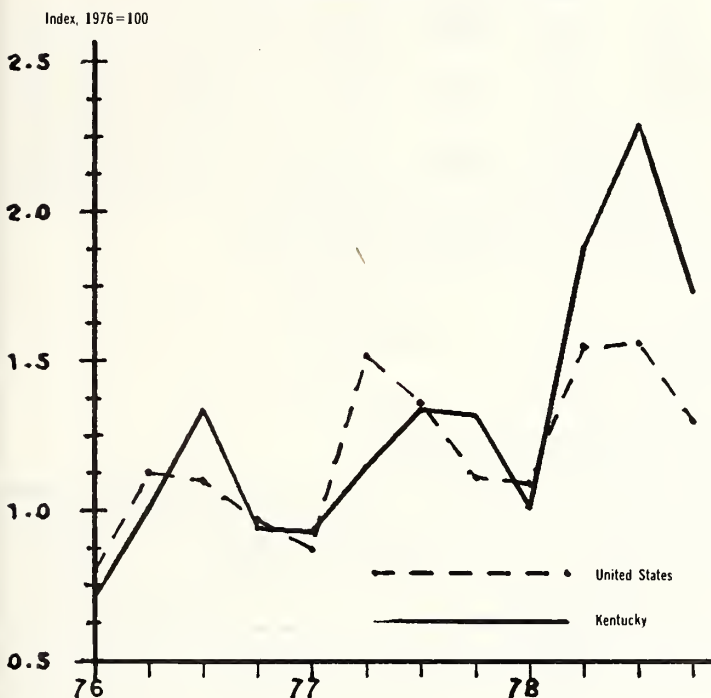


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Kentucky

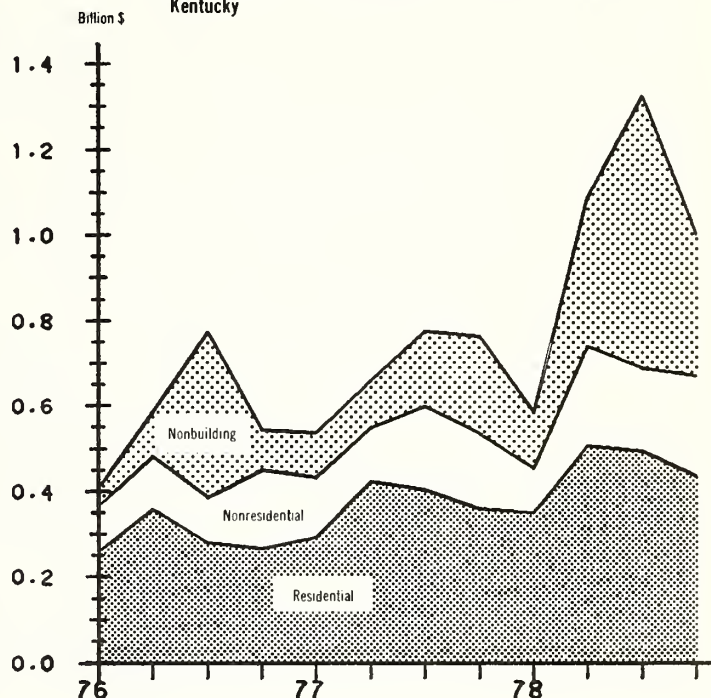


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

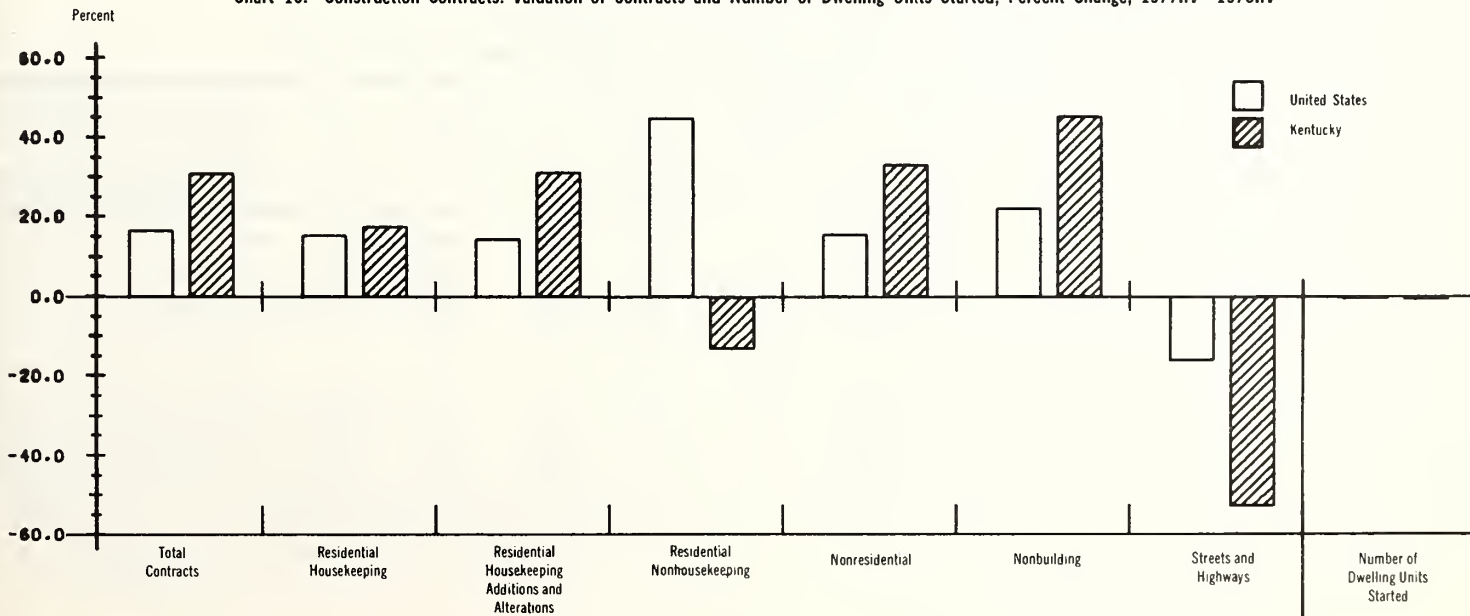


TABLE 6.—Construction Contracts, United States and Kentucky Through Fourth Quarter, 1978¹

| | United States | | | Kentucky | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|----------|-----------|-----------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 776,747 | 762,633 | 1,326,243 | 1,000,135 | 14.5 | 70.7 | 16.8 | 31.1 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 129,336 | 106,692 | 150,600 | 139,944 | 16.8 | 16.4 | 14.6 | 31.2 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,650 | 1,258 | 1,761 | 1,166 | 4.4 | 6.7 | -9.3 | -7.3 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 647,411 | 655,941 | 1,175,643 | 860,191 | 14.0 | 81.6 | 17.4 | 31.1 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 16,313 | 13,562 | 18,973 | 16,824 | 10.8 | 16.3 | 10.2 | 24.1 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 439 | 445 | 445 | 443 | -5.1 | 1.4 | -4.3 | -4 |
| Number of dwelling units | 445,772 | 443,075 | 9,202 | 8,363 | 9,726 | 8,308 | 1.0 | 5.7 | -6 | -7 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 271,249 | 246,372 | 340,585 | 290,267 | 15.3 | 25.6 | 15.6 | 17.8 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 10,834 | 9,802 | 12,751 | 10,778 | 10.3 | 17.7 | 10.7 | 10.0 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 7 | 11 | 10 | 11 | -10.0 | 42.9 | -4 | .0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 3,843 | 6,270 | 3,601 | 5,441 | 9.4 | -6.3 | 44.8 | -13.2 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 27 | 70 | 79 | 126 | -7 | 188.3 | 24.7 | 80.4 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 440 | 437 | 481 | 439 | -2.5 | 9.3 | -12.0 | .5 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 195,146 | 176,522 | 194,853 | 234,893 | 27.6 | -2 | 15.8 | 33.1 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 5,452 | 3,690 | 6,143 | 5,920 | 12.2 | 12.7 | 8.9 | 60.4 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 764 | 365 | 825 | 273 | 22.4 | 8.0 | -9.1 | -25.2 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 177,173 | 226,777 | 636,604 | 329,590 | -1 | 259.3 | 22.2 | 45.3 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 443 | 150 | 462 | 92 | 9.3 | 4.3 | -17.8 | -38.7 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 117,164 | 98,147 | 138,056 | 46,017 | 3.0 | 17.8 | -16.3 | -53.1 |

1. Contracts started or expected to start within 60 days.
 2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
 NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Kentucky are not available.

TABLE 7.—Retail Sales, United States and Kentucky Through Fourth Quarter, 1978

| | United States | | | Kentucky | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|----------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | | | | | | | | | | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

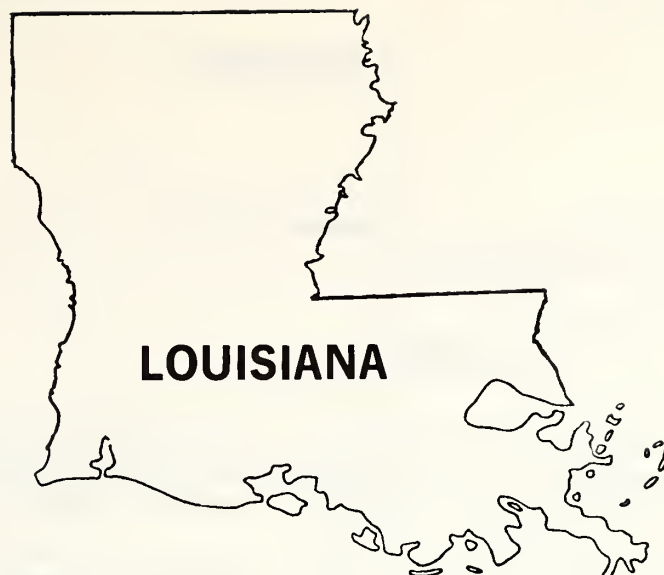
Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Kentucky Through Fourth Quarter, 1978

| | United States | | | Kentucky | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 1,357 | 1,278 | 1,281 | n.a. | 8.2 | −5.6 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 22 | 18 | 26 | n.a. | −9.5 | 18.2 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 3,596 | 4,782 | 3,520 | n.a. | −44.2 | −2.1 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 163 | 266 | 135 | n.a. | −38.4 | −17.2 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 4 | 3 | 1 | n.a. | −10.1 | −75.0 | --- | --- |
| Construction | 319 | n.a. | 7 | 4 | 7 | n.a. | 1.0 | .0 | --- | --- |
| Wholesale trade | 191 | n.a. | 2 | 3 | 1 | n.a. | −27.1 | −50.0 | --- | --- |
| Retail trade | 688 | n.a. | 6 | 8 | 14 | n.a. | −4.2 | 133.3 | --- | --- |
| Commercial services | 238 | n.a. | 3 | 0 | 3 | n.a. | −24.0 | .0 | --- | --- |

n.a.: Data not available.
 Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|---|
| Personal income | —Up 14.1% vs. 12.6% in U.S., to \$27.6 billion —Payrolls up 11.7% in nondurables manufacturing vs. 10.0% in U.S. —Payrolls up 16.1% in services vs. 12.7% in U.S. |
| Consumer prices | —Up 9.2% in Dallas and 12.1% in Houston vs. 8.9% in U.S. |
| Employment | —Up 3.7% vs. 3.9% in U.S., to 1.5 million |
| Unemployment | —Down 4,000, to 95,000 —Rate down to 5.9% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 51.2% vs. 16.8% in U.S., to \$1.1 billion —Valuation of nonresidential contracts up 154.6% vs. 15.8% in U.S. —Number of dwelling-unit starts down 14.5% vs. near stability in U.S., to 8,374 |
| Retail sales | —Up 5.9% vs. 11.2% in U.S., to \$3.4 billion |

TABLE 1.—Summary of Economic Indicators, United States and Louisiana Through Fourth Quarter, 1978

| | United States | | | Louisiana | | | U.S. | State | U.S. | State |
|--|--|------------|----------|-----------|-----------|-----------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 23,319 | 24,168 | 26,601 | 27,574 | 12.4 | 14.1 | 12.6 | 14.1 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 15,216 | 15,743 | 17,458 | 17,976 | 12.1 | 14.7 | 12.6 | 14.2 |
| Civilian employment (thousands) | 92,442 | 96,010 | 1,467 | 1,460 | 1,511 | 1,514 | 4.1 | 3.0 | 3.9 | 3.7 |
| Unemployment (thousands) | 6,149 | 5,605 | 112 | 99 | 110 | 95 | -9.8 | -1.1 | -8.8 | -4.2 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 7.1 | 6.3 | 6.8 | 5.9 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 8,594 | 8,981 | 10,251 | n.a. | 16.3 | 19.3 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 13,636 | 14,725 | 15,384 | n.a. | 11.5 | 12.8 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 808,136 | 744,979 | 2,111,094 | 1,126,127 | 14.5 | 161.2 | 16.8 | 51.2 |
| Dwelling units started (number) | 445,772 | 443,075 | 9,939 | 9,794 | 9,967 | 8,374 | 1.0 | .3 | -.6 | -14.5 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | 3,207 | 3,247 | 3,396 | 10.3 | --- | 11.2 | 5.9 |
| New business incorporations (number) | 109,411 | n.a. | 2,175 | 1,922 | 3,013 | n.a. | 8.2 | 38.5 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 13 | 9 | 20 | n.a. | -9.5 | 53.8 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Dallas | --- | --- | 182.4 | 183.8 | 197.3 | 200.7 | --- | 8.2 | --- | 9.2 |
| Houston | --- | --- | 191.6 | 192.7 | 211.0 | 216.0 | --- | 10.1 | --- | 12.1 |

n.a.: Data not available.

Source: See tables 2 through 8.

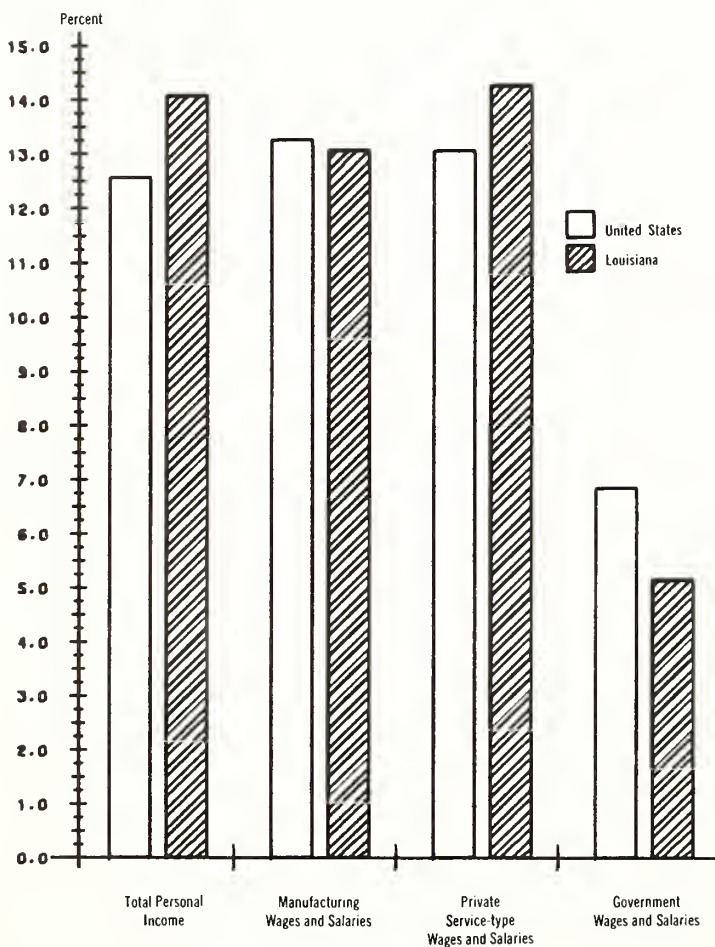
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 14.1 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, the State's personal income totaled \$17.6 billion, up \$3.4 billion since 1977:IV. Louisiana's increase in total personal income would have been smaller had it not been for a 71.2-percent increase in farm personal income, compared with a 26.3-percent national gain. The State's nonfarm personal income increased 13.1 percent from year to year versus 12.3 percent nationally. Since the most recent national business cycle peak in 1973:IV, Louisiana's economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 23 percent more than nationally, ranking Louisiana 10th among all States.

From 1977:IV to 1978:IV, **consumer prices** in the Dallas and Houston metropolitan areas rose 9.2 percent and 12.1 percent, respectively,

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]



compared with an 8.9-percent national city average increase (table 3). If an average of the two area indexes is used as an indicator for price movements in the State, real total personal income in Louisiana increased 3.5 percent from year to year versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 14.2 percent in the State versus 12.6 percent nationally. The State's services payrolls registered one of the largest increases in the Nation, 16.1 percent, compared with a 12.7-percent national average increase. Similarly, payrolls in transportation-communication-public utilities increased 13.7 percent in Louisiana, 2.4 percentage points more than nationally. In contrast, an increase of 13.9 percent in the State's trade payrolls was slightly less than the national increase, and a payroll increase of 11.3 percent in finance-insurance-real estate lagged the Nation's increase by 1.9 percentage points.

Construction payrolls increased 21.2 percent from year to year, compared with a national gain of 20.1 percent. Mining payrolls increased 29.7 percent in the State versus 33.9 percent nationally.

In manufacturing, nondurable goods payrolls increased 11.7 percent in Louisiana, 1.7 percentage points more than nationally. In contrast, durable goods manufacturing payrolls increased 14.7 percent in the State, or slightly less than nationally.

Federal Government payrolls increased 8.8 percent from year to year versus 7.1 percent nationally. In contrast, State and local government payrolls increased 3.7 percent in Louisiana, one of the smallest increases in the Nation, compared with a national increase of 6.8 percent.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 34.1 percent versus a decline of 30.3 percent nationally.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

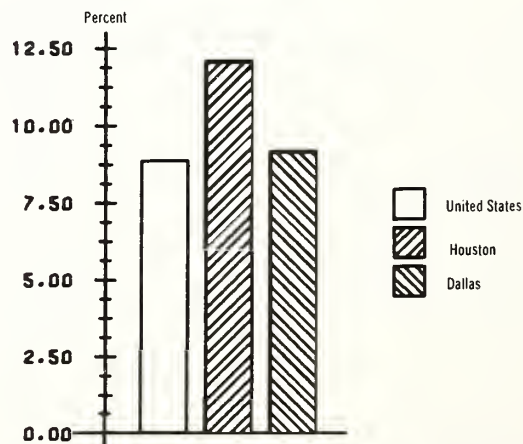


Chart 3.—Total Personal Income
[Seasonally adjusted]

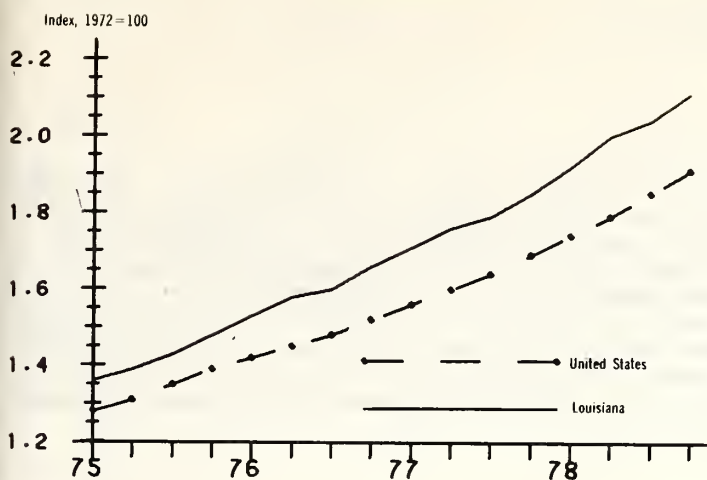


Chart 4.—Industrial Composition of Wages and Salaries: Louisiana
[Seasonally adjusted]

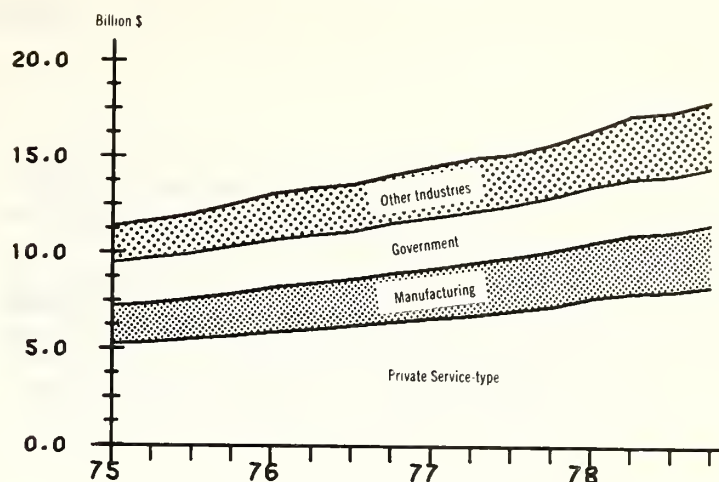


TABLE 2.—Personal Income, United States and Louisiana Through Fourth Quarter, 1978

| | United States | | | Louisiana | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|-----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 23,319 | 24,168 | 26,601 | 27,574 | 12.4 | 14.1 | 12.6 | 14.1 |
| Farm personal income | 31,224 | 39,451 | 296 | 407 | 462 | 697 | 47.9 | 56.1 | 26.3 | 71.2 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 23,022 | 23,761 | 26,139 | 26,877 | 11.9 | 13.5 | 12.3 | 13.1 |
| Total personal income | 1,583,508 | 1,782,519 | 23,319 | 24,168 | 26,601 | 27,574 | 12.4 | 14.1 | 12.6 | 14.1 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 15,216 | 15,743 | 17,458 | 17,976 | 12.1 | 14.7 | 12.6 | 14.2 |
| Other labor income | 96,016 | 111,719 | 1,525 | 1,594 | 1,825 | 1,882 | 17.0 | 19.7 | 16.4 | 18.0 |
| Proprietors' income | 105,953 | 125,995 | 1,611 | 1,747 | 1,975 | 2,278 | 21.5 | 22.6 | 18.9 | 30.3 |
| Farm | 23,636 | 31,044 | 229 | 340 | 395 | 628 | 66.6 | 72.3 | 31.3 | 84.8 |
| Nonfarm | 82,317 | 94,951 | 1,382 | 1,408 | 1,580 | 1,650 | 12.8 | 14.4 | 15.3 | 17.2 |
| Dividends, interest, and rent | 214,992 | 242,442 | 2,694 | 2,761 | 2,968 | 3,039 | 12.3 | 10.2 | 12.8 | 10.0 |
| Transfer payments | 215,944 | 233,750 | 3,183 | 3,258 | 3,450 | 3,499 | 8.8 | 8.4 | 8.2 | 7.4 |
| State unemployment insurance benefits | 11,128 | 7,753 | 186 | 206 | 142 | 136 | -24.0 | -23.6 | -30.3 | -34.1 |
| Less: personal contributions | 62,212 | 71,610 | 921 | 945 | 1,085 | 1,107 | 14.8 | 17.8 | 15.1 | 17.2 |
| Plus: residence adjustment | -401 | -473 | 10 | 9 | 9 | 9 | | | | |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 15,216 | 15,743 | 17,458 | 17,976 | 12.1 | 14.7 | 12.6 | 14.2 |
| Farm | 7,176 | 7,939 | 65 | 66 | 66 | 67 | 8.5 | .5 | 10.6 | 2.6 |
| Nonfarm | 1,006,040 | 1,132,757 | 15,150 | 15,678 | 17,393 | 17,908 | 12.1 | 14.8 | 12.6 | 14.2 |
| Mining | 14,048 | 18,813 | 1,127 | 1,146 | 1,425 | 1,486 | 26.5 | 26.4 | 33.9 | 29.7 |
| Construction | 55,648 | 66,858 | 1,430 | 1,503 | 1,800 | 1,822 | 19.1 | 25.9 | 20.1 | 21.2 |
| Manufacturing | 276,112 | 312,970 | 2,767 | 2,897 | 3,145 | 3,276 | 12.1 | 13.7 | 13.3 | 13.1 |
| Durable goods | 176,216 | 203,053 | 1,195 | 1,286 | 1,390 | 1,475 | 13.7 | 16.3 | 15.2 | 14.7 |
| Non-durable goods | 99,896 | 109,917 | 1,572 | 1,612 | 1,755 | 1,801 | 9.4 | 11.6 | 10.0 | 11.7 |
| Private service-type | 455,764 | 515,348 | 7,065 | 7,292 | 8,076 | 8,332 | 12.8 | 14.3 | 13.1 | 14.3 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 1,535 | 1,535 | 1,724 | 1,745 | 10.4 | 12.3 | 11.3 | 13.7 |
| Wholesale and retail trade | 170,888 | 195,035 | 2,766 | 2,869 | 3,170 | 3,267 | 13.6 | 14.6 | 14.1 | 13.9 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 673 | 716 | 777 | 798 | 14.1 | 15.3 | 13.2 | 11.3 |
| Services | 153,840 | 173,396 | 2,091 | 2,172 | 2,406 | 2,522 | 12.6 | 15.1 | 12.7 | 16.1 |
| Government | 201,252 | 215,083 | 2,716 | 2,794 | 2,894 | 2,940 | 7.4 | 6.6 | 6.9 | 5.2 |
| Federal | 68,176 | 73,003 | 801 | 844 | 891 | 918 | 7.3 | 11.1 | 7.1 | 8.8 |
| State and local | 133,076 | 142,080 | 1,914 | 1,950 | 2,003 | 2,022 | 7.5 | 4.6 | 6.8 | 3.7 |
| Other | 3,216 | 3,685 | 45 | 45 | 52 | 52 | 18.7 | 15.8 | 14.6 | 14.0 |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Louisiana Through Fourth Quarter, 1978¹

| | United States | | | Louisiana | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|-----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967=100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Dallas | --- | --- | 182.4 | 183.8 | 197.3 | 200.7 | --- | 8.2 | --- | 9.2 |
| Houston | --- | --- | 191.6 | 192.7 | 211.0 | 216.0 | --- | 10.1 | --- | 12.1 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Louisiana's **civilian labor force** increased 3.2 percent versus 3.1 percent nationally (table 4). **Total employment** increased 3.7 percent versus 3.9 percent nationally, to 1.5 million.

With employment increasing by 54,000 and the labor force increasing by 50,000, the number of **unemployed** declined by 4,000, to 95,000. Louisiana's **unemployment rate** declined 0.4 percentage point, to 5.9 percent of the labor force. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among Louisiana's major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 5.7 percent, ranged from 5.8 percent in both Lake Charles and Monroe to 5.1 percent in Shreveport. In New Orleans and Baton Rouge, the State's largest metropolitan areas, the unemployment rates were 5.2 and 5.6 percent, respectively. From December 1977 to December 1978, the unemployment rate declined 1.4 percentage points in Lake Charles, compared with a decline of 0.5 percentage point statewide; Lake Charles' decline was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Louisiana

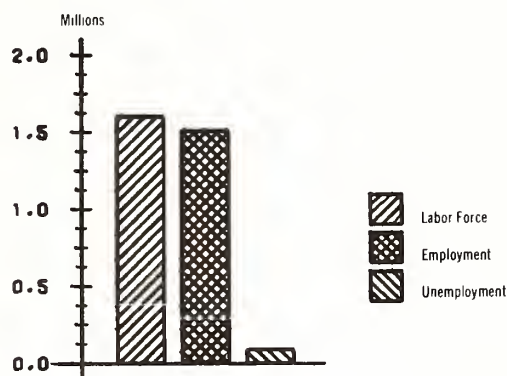


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

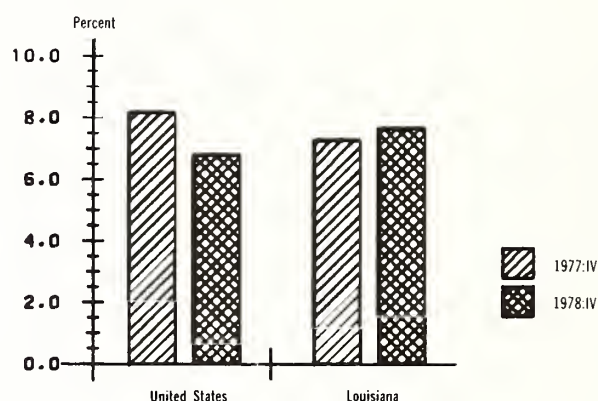


TABLE 4.—Labor Force, United States and Louisiana Through Fourth Quarter, 1978

| | United States | | | Louisiana | | | U.S. | State | U.S. | State |
|---|--|---------|----------|-----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,332 | 1,352 | 1,359 | 1,374 | 4.3 | 2.0 | 4.2 | 1.6 |
| Mining | 787 | 899 | 66 | 66 | 69 | 68 | 8.2 | 3.8 | 14.2 | 3.2 |
| Construction | 4,032 | 4,488 | 105 | 104 | 107 | 106 | 10.4 | 1.9 | 11.3 | 1.3 |
| Manufacturing | 19,986 | 20,722 | 204 | 205 | 205 | 208 | 3.1 | .3 | 3.7 | 1.3 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 103 | 100 | 106 | 106 | 3.8 | 3.4 | 4.4 | 5.7 |
| Wholesale and retail trade | 19,152 | 20,015 | 322 | 328 | 326 | 331 | 5.3 | 1.3 | 4.5 | 1.0 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 65 | 66 | 68 | 68 | 4.8 | 4.3 | -2.0 | 4.3 |
| Services | 15,539 | 16,215 | 220 | 225 | 230 | 232 | 4.6 | 4.6 | 4.4 | 2.9 |
| Government | 15,434 | 15,656 | 248 | 258 | 249 | 255 | 2.1 | .5 | 1.4 | -1.1 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,578 | 1,559 | 1,621 | 1,609 | 3.2 | 2.7 | 3.1 | 3.2 |
| Total employed | 92,442 | 96,010 | 1,467 | 1,460 | 1,511 | 1,514 | 4.1 | 3.0 | 3.9 | 3.7 |
| Total unemployed | 6,149 | 5,605 | 112 | 99 | 110 | 95 | -9.8 | -1.1 | -8.8 | -4.2 |
| Percent unemployed | 6.2 | 5.5 | 7.1 | 6.3 | 6.8 | 5.9 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

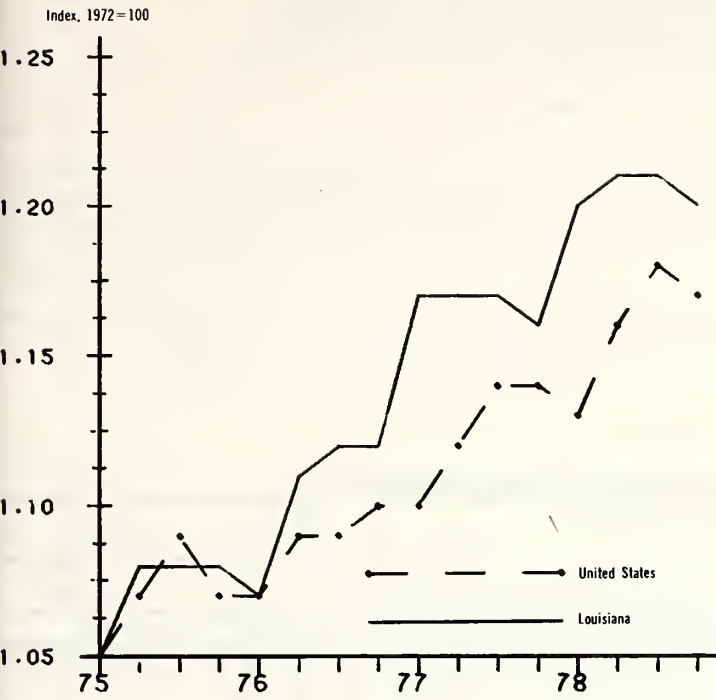


Chart 8.—Civilian Employment

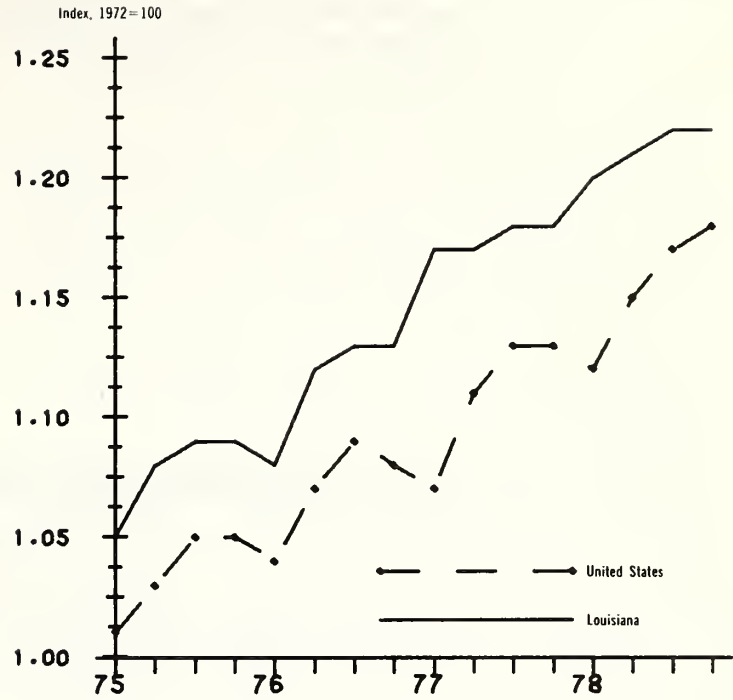


Chart 9.—Unemployment Rate

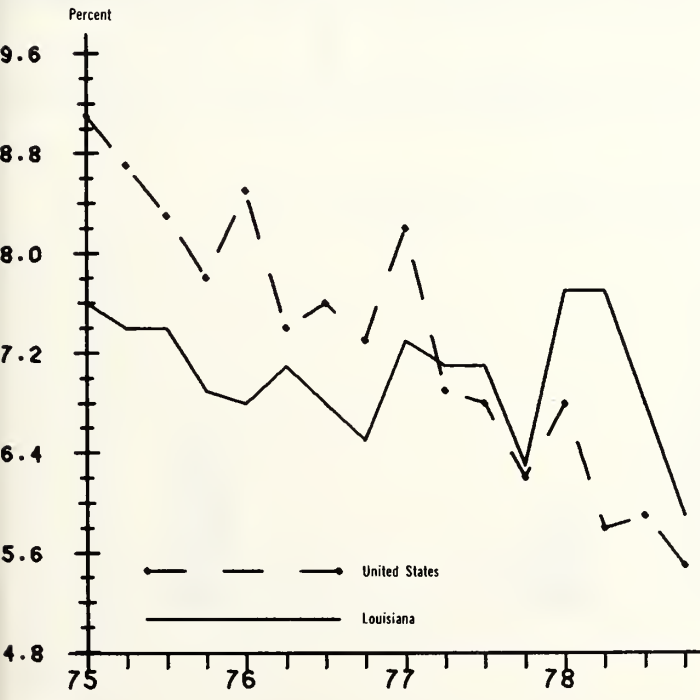
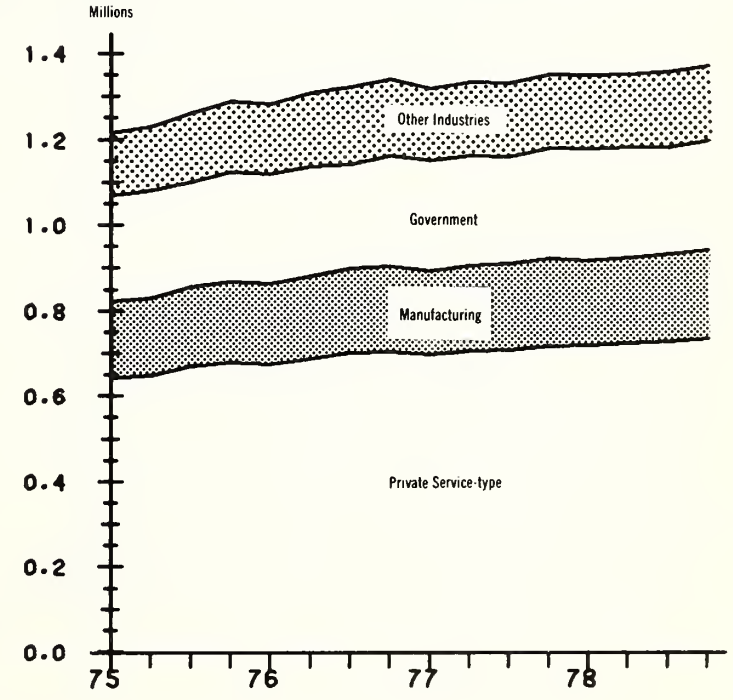


Chart 10.—Industrial Composition of Nonagricultural Employment: Louisiana



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Louisiana Through Fourth Quarter, 1978

| | United States | | | Louisiana | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|-----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 8,594 | 8,981 | 10,251 | n.a. | 16.3 | 19.3 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 2,776 | 2,919 | 3,138 | n.a. | 14.2 | 13.0 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 2,342 | 2,462 | 2,861 | n.a. | 20.2 | 22.1 | --- | --- |
| Real estate | 177,935 | n.a. | 2,654 | 2,789 | 3,352 | n.a. | 19.9 | 26.3 | --- | --- |
| Residential | 101,236 | n.a. | 1,025 | 1,068 | 1,344 | n.a. | 21.3 | 31.1 | --- | --- |
| Farms | 7,731 | n.a. | 151 | 156 | 192 | n.a. | 10.7 | 27.4 | --- | --- |
| Other | 68,968 | n.a. | 1,478 | 1,565 | 1,815 | n.a. | 19.0 | 22.8 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 282 | 233 | 309 | n.a. | 6.8 | 9.9 | --- | --- |
| Other | 69,947 | n.a. | 540 | 579 | 592 | n.a. | 8.0 | 9.7 | --- | --- |
| Total deposits | 925,511 | n.a. | 13,636 | 14,725 | 15,384 | n.a. | 11.5 | 12.8 | --- | --- |
| Demand | 377,683 | n.a. | 5,144 | 6,024 | 5,794 | n.a. | 10.2 | 12.6 | --- | --- |
| Time and savings | 547,828 | n.a. | 8,492 | 8,701 | 9,590 | n.a. | 12.3 | 12.9 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 51.2 percent (\$381.1 million), to \$1.1 billion (table 6). Louisiana's percent increase was three times as large as the Nation's. In 1978:IV, a \$100 million contract for a petroleum pipeline in Calcasieu Parish, \$75 million and \$50 million contracts for chemical plants in Calcasieu and St. James Parishes, respectively, and a \$50 million contract for a petroleum refinery in St. Bernard Parish raised the State's total valuation of contracts to an unusually high level, thereby distorting the increase since 1977:IV. If the four contracts are excluded, the total valuation of contracts in Louisiana would have increased 14.2 percent.

National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the real increase in the total valuation of contracts in Louisiana was about 38 percent (including the four contracts) versus about 4 percent nationally.

Reflecting the contracts for the two chemical plants and the petroleum refinery, the valuation of nonresidential contracts increased 154.6

percent, the largest increase in the Nation. Nationally, nonresidential contracts increased 15.8 percent in valuation.

Reflecting the petroleum pipeline contract, the valuation of nonbuilding contracts increased 68.7 percent, one of the largest increases among all States. Nationally, nonbuilding contracts increased 22.2 percent in valuation. In contrast, the valuation of street and highway contracts, a major component of nonbuilding contracts, declined by one-third in the State; the State's decline was twice the national decline.

Contracts for residential housekeeping additions and alterations increased 27.8 percent in valuation versus 14.6 percent nationally. In contrast, residential housekeeping contracts increased only 0.6 percent in valuation versus 15.6 percent nationally. Forty-five States registered increases that were larger than Louisiana's. The number of dwelling units started declined 14.5 percent (1,420 units), to 8,374 units. Nationally, the number of dwelling units started was almost unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

Index, 1976=100

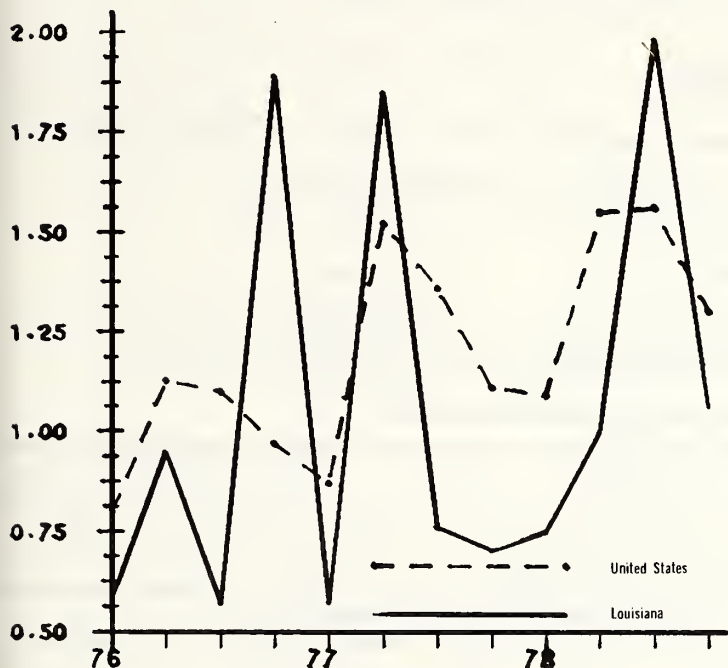


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Louisiana

Billion \$

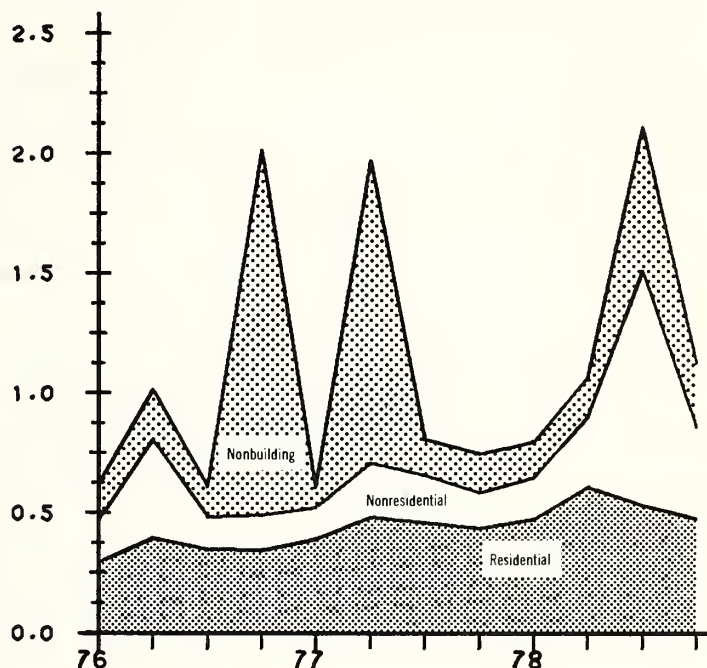


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

Percent

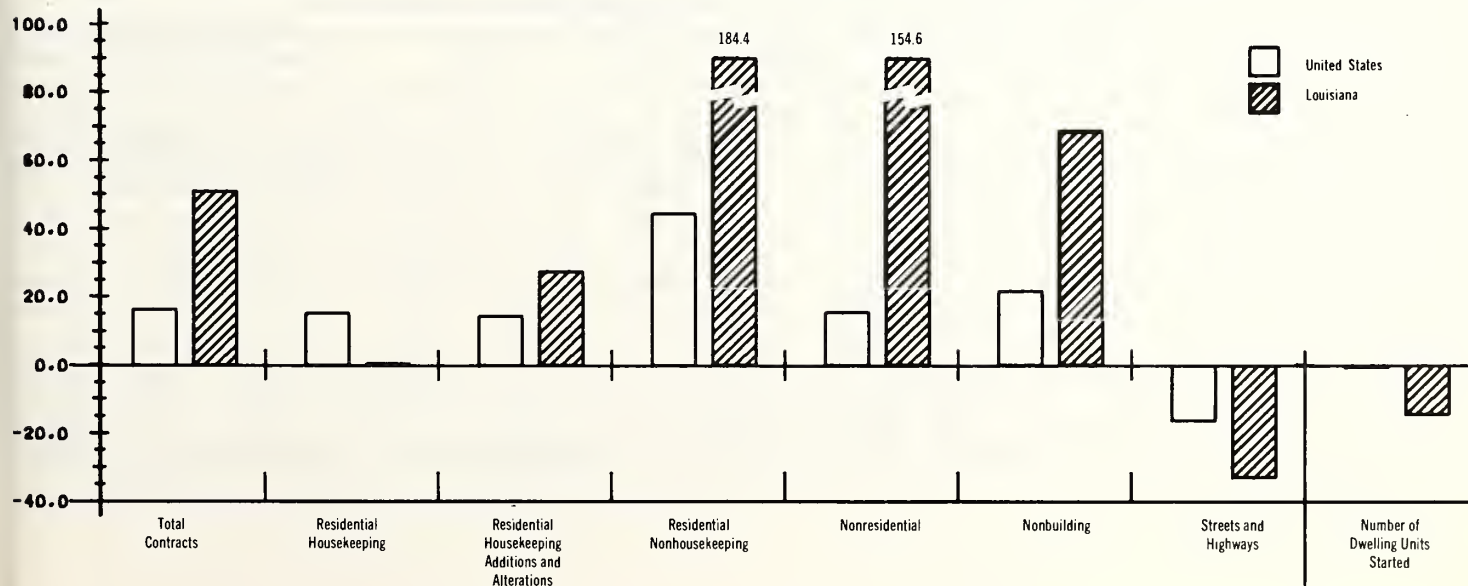


TABLE 6.—Construction Contracts, United States and Louisiana Through Fourth Quarter, 1978¹

| | United States | | | Louisiana | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|-----------|-----------|-----------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 808,136 | 744,979 | 2,111,094 | 1,126,127 | 14.5 | 161.2 | 16.8 | 51.2 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars)..... | 7,707,987 | 8,832,353 | 133,073 | 116,422 | 160,018 | 148,781 | 16.8 | 20.2 | 14.6 | 27.8 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,346 | 1,257 | 1,304 | 1,268 | 4.4 | -3.1 | -9.3 | .9 |
| Valuation (thousands of dollars)..... | 31,205,124 | 36,627,420 | 675,063 | 628,557 | 1,951,076 | 977,346 | 14.0 | 189.0 | 17.4 | 55.5 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 18,461 | 17,742 | 20,684 | 18,876 | 10.8 | 12.0 | 10.2 | 6.4 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 297 | 279 | 247 | 242 | -5.1 | -16.8 | -4.3 | -13.3 |
| Number of dwelling units | 445,772 | 443,075 | 9,939 | 9,794 | 9,967 | 8,374 | 1.0 | .3 | -.6 | -14.5 |
| Valuation (thousands of dollars)..... | 14,879,596 | 17,198,518 | 316,811 | 315,481 | 366,363 | 317,273 | 15.3 | 15.6 | 15.6 | .6 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 13,342 | 13,430 | 14,704 | 12,632 | 10.3 | 10.2 | 10.7 | -5.9 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 16 | 13 | 12 | 11 | -10.0 | -25.0 | -.4 | -15.4 |
| Valuation (thousands of dollars)..... | 338,637 | 490,279 | 10,138 | 3,798 | 5,712 | 10,801 | 9.4 | -43.7 | 44.8 | 184.4 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 231 | 84 | 149 | 266 | -.7 | -35.6 | 24.7 | 217.4 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 597 | 548 | 570 | 567 | -2.5 | -4.5 | -12.0 | 3.5 |
| Valuation (thousands of dollars)..... | 9,334,415 | 10,810,769 | 196,848 | 148,447 | 981,565 | 377,943 | 27.6 | 398.6 | 15.8 | 154.6 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 4,888 | 4,228 | 5,832 | 5,978 | 12.2 | 19.3 | 8.9 | 41.4 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 436 | 417 | 475 | 448 | 22.4 | 8.9 | -9.1 | 7.4 |
| Valuation (thousands of dollars)..... | 6,652,476 | 8,127,854 | 151,266 | 160,831 | 597,436 | 271,329 | -.1 | 295.0 | 22.2 | 68.7 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 148 | 179 | 120 | 129 | 9.3 | -18.9 | -17.8 | -27.9 |
| Valuation (thousands of dollars)..... | 2,308,681 | 1,931,341 | 81,189 | 102,035 | 48,767 | 68,352 | 3.0 | -39.9 | -16.3 | -33.0 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Louisiana totaled \$3.4 billion in 1978:IV, up only 5.9 percent (\$189 million) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for \$2.2 billion, and durable goods accounted for \$1.2 billion.

TABLE 7.—Retail Sales, United States and Louisiana Through Fourth Quarter, 1978

| | United States | | | Louisiana | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|-----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | 3,207 | 3,247 | 3,396 | 10.3 | --- | 11.2 | 5.9 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 1,246 | 1,216 | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | 2,001 | 2,180 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Louisiana Through Fourth Quarter, 1978

| | United States | | | Louisiana | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|-----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 2,175 | 1,922 | 3,013 | n.a. | 8.2 | 38.5 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 13 | 9 | 20 | n.a. | -9.5 | 53.8 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 2,104 | 1,474 | 4,987 | n.a. | -44.2 | 137.0 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 162 | 164 | 249 | n.a. | -38.4 | 53.7 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 1 | 0 | 2 | n.a. | -10.1 | 100.0 | --- | --- |
| Construction | 319 | n.a. | 3 | 3 | 6 | n.a. | 1.0 | 100.0 | --- | --- |
| Wholesale trade | 191 | n.a. | 1 | 3 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 7 | 3 | 11 | n.a. | -4.2 | 57.1 | --- | --- |
| Commercial services | 238 | n.a. | 1 | 0 | 1 | n.a. | -24.0 | .0 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

- Personal income**
 - Up 11.9%, 0.7 percentage point less than in U.S.
 - Farm income down
 - Nonfarm income up 12.2%, about the same as in U.S.
- Consumer prices**
 - Up 7.5% in Boston vs. 8.9% in U.S.
- Employment**
 - Up 3.1% vs. 3.9% in U.S., to 447,000
- Unemployment**
 - Down 9,000, to 26,000
 - Rate down to 5.4% of labor force vs. 5.5% U.S. rate
- Construction**
 - Total valuation of contracts up 5.3% vs. 16.8% in U.S., to \$182 million
 - Nearly all major construction categories in State weak
 - Number of dwelling-unit starts down 7.7% vs. little change in U.S., to 1,713

TABLE 1.—Summary of Economic Indicators, United States and Maine Through Fourth Quarter, 1978

| | United States | | | Maine | | | U.S. | State | U.S. | State |
|--|--|------------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 6,289 | 6,433 | 6,983 | 7,198 | 12.4 | 11.0 | 12.6 | 11.9 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 3,761 | 3,870 | 4,201 | 4,383 | 12.1 | 11.7 | 12.6 | 13.3 |
| Civilian employment (thousands) | 92,442 | 96,010 | 451 | 434 | 463 | 447 | 4.1 | 2.6 | 3.9 | 3.1 |
| Unemployment (thousands) | 6,149 | 5,605 | 37 | 35 | 27 | 26 | −9.8 | −27.0 | −8.8 | −25.5 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 7.6 | 7.4 | 5.5 | 5.4 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 1,672 | 1,729 | 1,861 | n.a. | 16.3 | 11.3 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 2,421 | 2,391 | 2,618 | n.a. | 11.5 | 8.2 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 180,503 | 172,941 | 230,030 | 182,038 | 14.5 | 27.4 | 16.8 | 5.3 |
| Dwelling units started (number) | 445,772 | 443,075 | 1,891 | 1,856 | 2,226 | 1,713 | 1.0 | 17.7 | −6 | −7.7 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 354 | 434 | 439 | n.a. | 8.2 | 24.0 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 0 | 0 | 0 | n.a. | −9.5 | --- | --- | --- |
| Consumer Price Index (1967 = 100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Boston | --- | --- | 185.0 | 185.3 | 194.2 | 199.2 | --- | 5.0 | --- | 7.5 |

n.a.: Data not available.
Source: See tables 2 through 8.

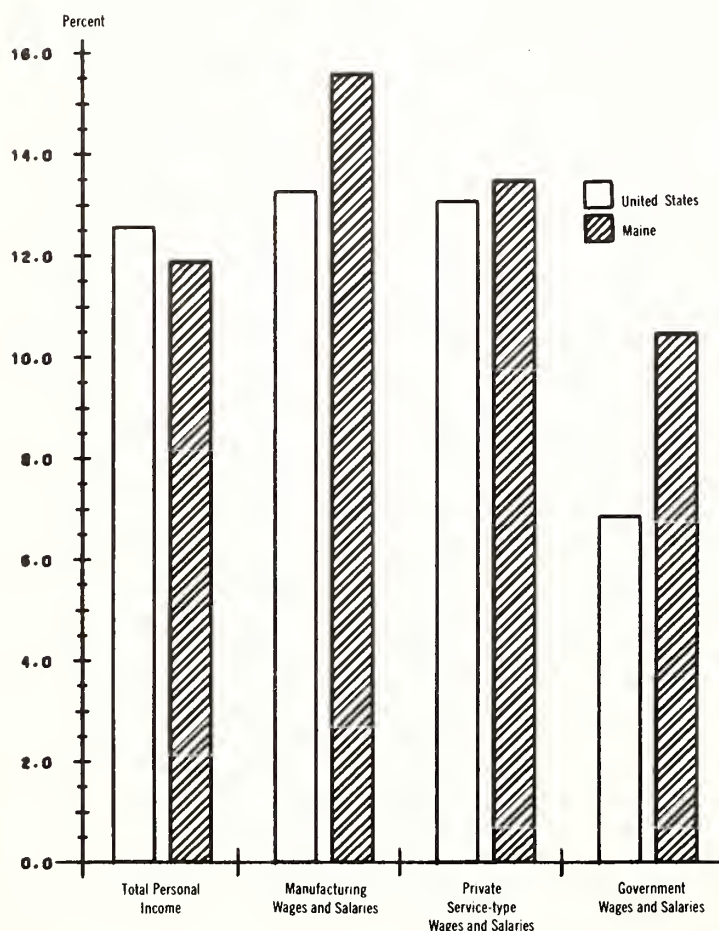
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.9 percent from 1977:IV to 1978:IV, 0.7 percentage point less than nationally (table 2). In 1978:IV, Maine's total personal income was \$7.2 billion, for an increase of \$0.8 billion since 1977:IV. Nonfarm income increased 12.2 percent, about the same as nationally. Farm income declined 10.3 percent in the State, in sharp contrast with an increase of 26.3 percent in the Nation. As in most other New England States, Maine's increases in both total and nonfarm income were fairly close to the national average.

Since the last national business cycle peak (1973:IV), Maine's economic growth has been close to the national average; the increase in nonfarm income was 1 percent more than nationally, ranking Maine 31st among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Consumer prices in Boston, the metropolitan area closest to Maine for which price data are available, increased 7.5 percent from 1977:IV to 1978:IV versus a national increase of 8.9 percent (table 3). If Boston's index is used as an indicator for price movements in the State, real total personal income in Maine increased 4.4 percent from year to year versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 13.3 percent in Maine versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$4.4 billion, up \$0.5 billion since 1977:IV. Manufacturing payrolls increased 15.6 percent in Maine versus 13.3 percent in the Nation. Strength was concentrated in nondurable goods manufacturing, up 16.2 percent versus 10.0 percent nationally. Maine's increase ranked 6th among all States. This increase was particularly important, because nondurable goods payrolls accounted for 11.6 percent of Maine's total income in 1978:IV versus only 6.2 percent nationally. Durable goods payrolls increased somewhat more slowly in Maine than in the Nation. Maine's increase in trade was 18.8 percent versus 14.1 percent nationally. Federal payrolls increased 15.2 percent, more than twice the increase registered in the Nation. In contrast, the increase in transportation-communication-public utilities was 5.1 percent versus 11.3 percent nationally. Similarly, payrolls in construction were up 12.2 percent in Maine and 20.1 percent in the Nation.

State unemployment insurance benefits in Maine declined 39.9 percent versus a decline of 30.3 percent in the Nation; only nine States had larger declines.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

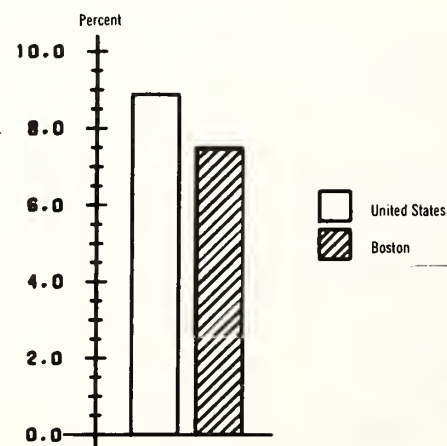


Chart 3.—Total Personal Income
[Seasonally adjusted]

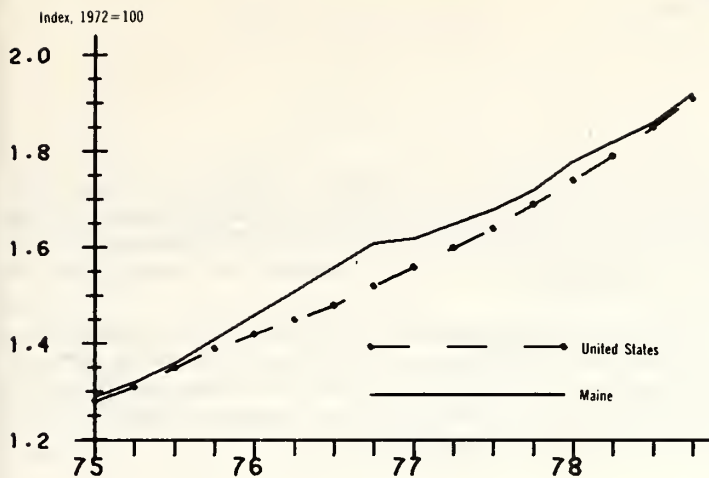


Chart 4.—Industrial Composition of Wages and Salaries: Maine
[Seasonally adjusted]

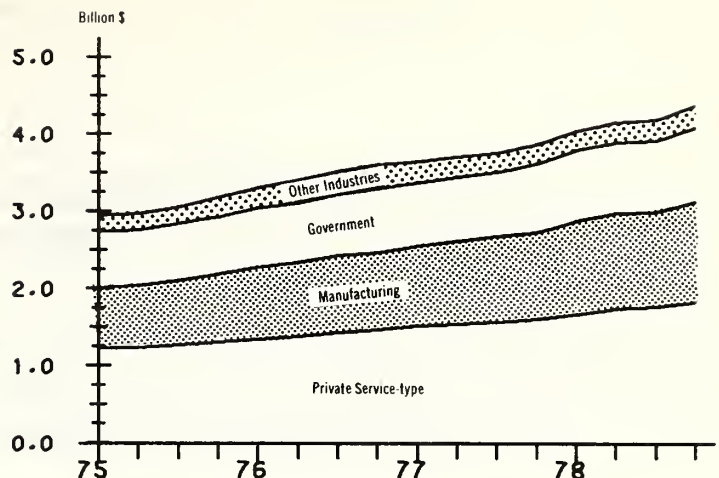


TABLE 2.—Personal Income, United States and Maine Through Fourth Quarter, 1978

| | United States | | | Maine | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 6,289 | 6,433 | 6,983 | 7,198 | 12.4 | 11.0 | 12.6 | 11.9 |
| Farm personal income | 31,224 | 39,451 | 96 | 84 | 99 | 75 | 47.9 | 3.6 | 26.3 | -10.3 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 6,193 | 6,349 | 6,883 | 7,123 | 11.9 | 11.2 | 12.3 | 12.2 |
| Total personal income | 1,583,508 | 1,782,519 | 6,289 | 6,433 | 6,983 | 7,198 | 12.4 | 11.0 | 12.6 | 11.9 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,761 | 3,870 | 4,201 | 4,383 | 12.1 | 11.7 | 12.6 | 13.3 |
| Other labor income | 96,016 | 111,719 | 362 | 377 | 419 | 436 | 17.0 | 15.7 | 16.4 | 15.9 |
| Proprietors' income | 105,953 | 125,995 | 458 | 454 | 507 | 495 | 21.5 | 10.6 | 18.9 | 8.9 |
| Farm | 23,636 | 31,044 | 59 | 45 | 59 | 33 | 66.6 | -2 | 31.3 | -27.2 |
| Nonfarm | 82,317 | 94,951 | 399 | 409 | 448 | 462 | 12.8 | 12.1 | 15.3 | 12.9 |
| Dividends, interest, and rent | 214,992 | 242,442 | 835 | 854 | 933 | 959 | 12.3 | 11.7 | 12.8 | 12.3 |
| Transfer payments | 215,944 | 233,750 | 1,136 | 1,145 | 1,217 | 1,229 | 8.8 | 7.1 | 8.2 | 7.3 |
| State unemployment insurance benefits | 11,128 | 7,753 | 82 | 71 | 51 | 43 | -24.0 | -38.2 | -30.3 | -39.9 |
| Less: personal contributions | 62,212 | 71,610 | 239 | 241 | 269 | 277 | 14.8 | 12.9 | 15.1 | 15.1 |
| Plus: residence adjustment | -401 | -473 | -25 | -26 | -25 | -27 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,761 | 3,870 | 4,201 | 4,383 | 12.1 | 11.7 | 12.6 | 13.3 |
| Farm | 7,176 | 7,939 | 33 | 35 | 36 | 38 | 8.5 | 9.4 | 10.6 | 9.4 |
| Nonfarm | 1,006,040 | 1,132,757 | 3,727 | 3,835 | 4,165 | 4,345 | 12.1 | 11.7 | 12.6 | 13.3 |
| Mining | 14,048 | 18,813 | 3 | 2 | 2 | 2 | 26.5 | -35.5 | 33.9 | -23.7 |
| Construction | 55,648 | 66,858 | 197 | 199 | 226 | 223 | 19.1 | 14.7 | 20.1 | 12.2 |
| Manufacturing | 276,112 | 312,970 | 1,114 | 1,123 | 1,227 | 1,298 | 12.1 | 10.2 | 13.3 | 15.6 |
| Durable goods | 176,216 | 203,053 | 384 | 402 | 445 | 460 | 13.7 | 15.8 | 15.2 | 14.5 |
| Nondurable goods | 99,896 | 109,917 | 730 | 722 | 783 | 838 | 9.4 | 7.3 | 10.0 | 16.2 |
| Private service-type | 455,764 | 515,348 | 1,576 | 1,617 | 1,773 | 1,835 | 12.8 | 12.5 | 13.1 | 13.5 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 245 | 253 | 262 | 266 | 10.4 | 6.8 | 11.3 | 5.1 |
| Wholesale and retail trade | 170,888 | 195,035 | 634 | 641 | 741 | 762 | 13.6 | 16.9 | 14.1 | 18.8 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 161 | 161 | 173 | 180 | 14.1 | 7.8 | 13.2 | 11.4 |
| Services | 153,840 | 173,396 | 536 | 562 | 597 | 627 | 12.6 | 11.5 | 12.7 | 11.7 |
| Government | 201,252 | 215,083 | 825 | 879 | 921 | 971 | 7.4 | 11.6 | 6.9 | 10.5 |
| Federal | 68,176 | 73,003 | 345 | 372 | 394 | 429 | 7.3 | 14.2 | 7.1 | 15.2 |
| State and local | 133,076 | 142,080 | 480 | 507 | 526 | 542 | 7.5 | 9.7 | 6.8 | 7.0 |
| Other | 3,216 | 3,685 | 14 | 14 | 16 | 16 | 18.7 | 18.9 | 14.6 | 13.5 |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Maine Through Fourth Quarter, 1978¹

| | United States | | | Maine | | | U.S. | State | U.S. | State |
|--|---------------|---------|----------|---------|----------|----------------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Boston | --- | --- | 185.0 | 185.3 | 194.2 | 199.2 | --- | 5.0 | --- | 7.5 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the **civilian labor force** increased 1.0 percent in Maine, 2.1 percentage points less than in the Nation (table 4). The increase in Maine ranked 45th among the States. **Total employment** increased 3.1 percent, lagging the national average increase by 0.8 percentage point, to 447,000.

With the labor force increasing 4,000 and employment increasing 13,000, **unemployment** declined 9,000, to 26,000. In 1978:IV, the **unemployment rate** in Maine was 5.4 percent, about the same as nationally. In 1977:IV, it had been well above the national rate. From year to year, the unemployment rate declined 2.0 percentage points in

the State versus a decline in the Nation of only 0.7 percentage point. Only two other States had declines that were as sharp or sharper: Rhode Island, off 2.0 percentage points, and Nevada, off 2.3 percentage points. All New England States except Connecticut had sharp declines in unemployment rates.

In December 1978, the preliminary unemployment rate in the State was 6.0 percent, down 1.8 percentage points from the December 1977 rate. The December 1978 unemployment rate in Lewiston-Auburn was 4.9 percent, down 2.4 percentage points, and the rate in Portland was 4.7 percent, down 1.8 percentage points.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Maine

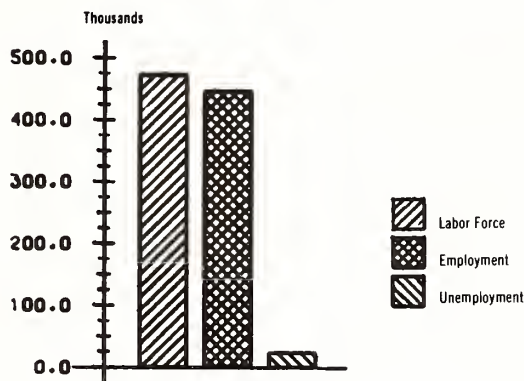


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

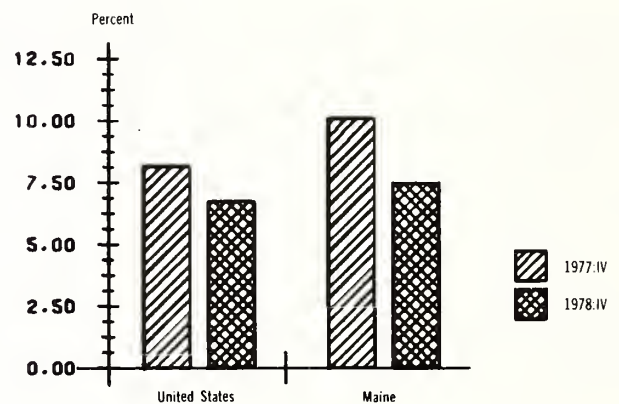


TABLE 4.—Labor Force, United States and Maine Through Fourth Quarter, 1978

| | United States | | | Maine | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 401 | 395 | 413 | 408 | 4.3 | 2.9 | 4.2 | 3.2 |
| Mining and services | 16,326 | 17,114 | 74 | 66 | 75 | 69 | --- | 1.5 | --- | 4.1 |
| Construction | 4,032 | 4,488 | 24 | 21 | 23 | 21 | 10.4 | -4.2 | 11.3 | -3.3 |
| Manufacturing | 19,986 | 20,722 | 107 | 109 | 110 | 113 | 3.1 | 2.9 | 3.7 | 3.8 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 19 | 18 | 18 | 18 | 3.8 | -1.1 | 4.4 | .0 |
| Wholesale and retail trade | 19,152 | 20,015 | 89 | 85 | 94 | 90 | 5.3 | 5.4 | 4.5 | 5.2 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 15 | 15 | 16 | 16 | 4.8 | 1.9 | -2.0 | 3.3 |
| Government | 15,434 | 15,656 | 73 | 81 | 77 | 82 | 2.1 | 4.8 | 1.4 | 2.0 |
| Civilian labor force ³ | 98,591 | 101,615 | 488 | 469 | 489 | 473 | 3.2 | .4 | 3.1 | 1.0 |
| Total employed | 92,442 | 96,010 | 451 | 434 | 463 | 447 | 4.1 | 2.6 | 3.9 | 3.1 |
| Total unemployed | 6,149 | 5,605 | 37 | 35 | 27 | 26 | -9.8 | -27.0 | -8.8 | -25.5 |
| Percent unemployed | 6.2 | 5.5 | 7.6 | 7.4 | 5.5 | 5.4 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

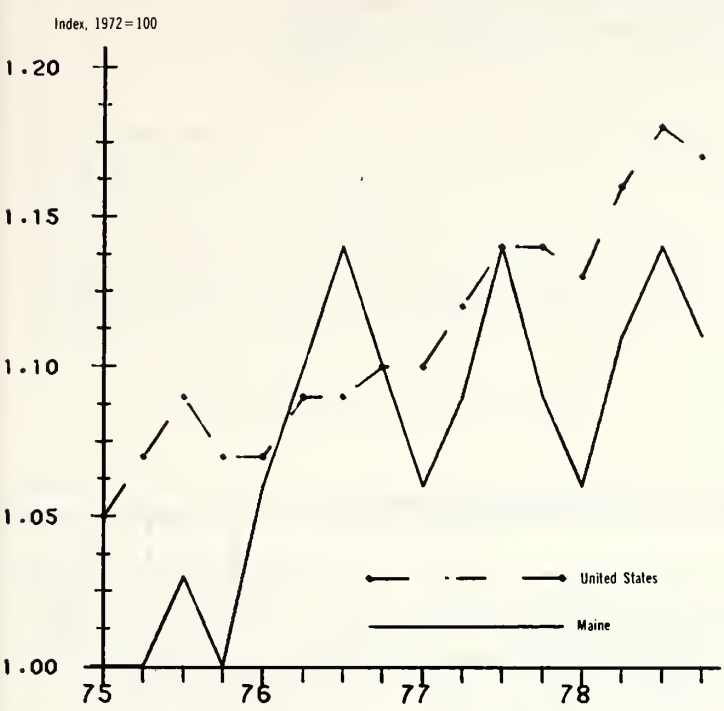


Chart 8.—Civilian Employment

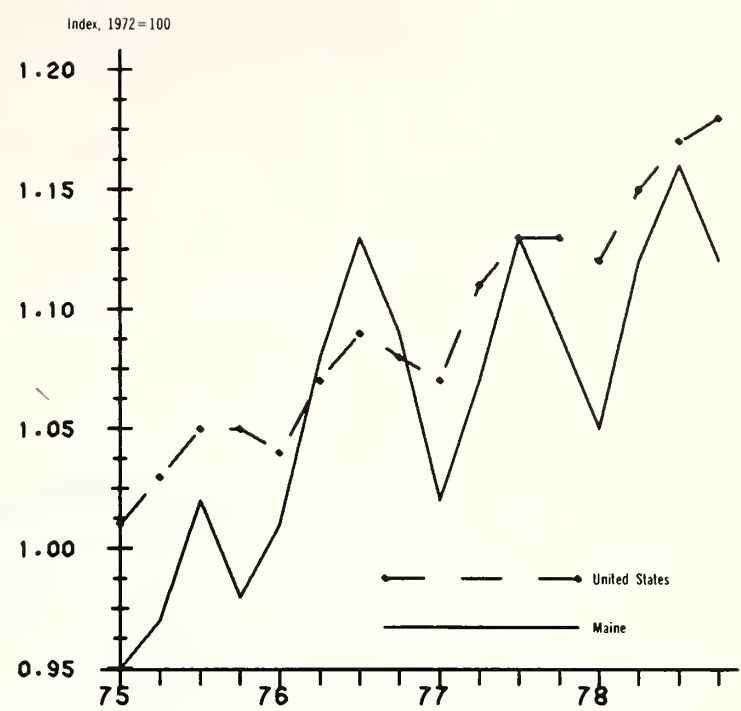


Chart 9.—Unemployment Rate

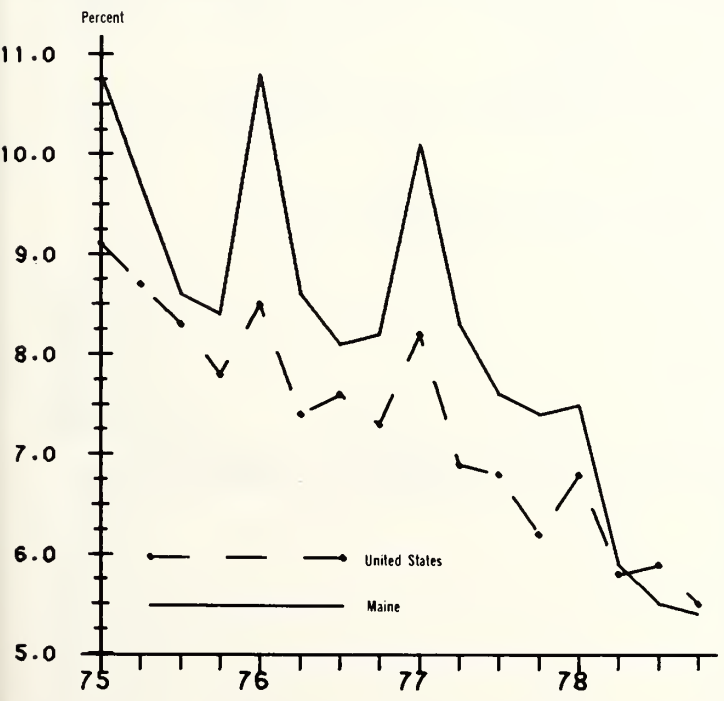
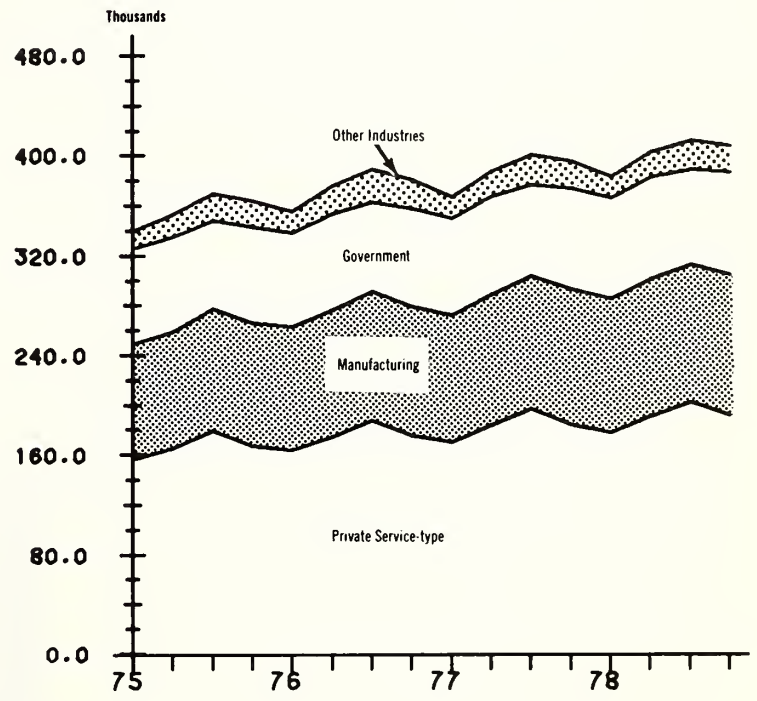


Chart 10.—Industrial Composition of Nonagricultural Employment: Maine



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Maine Through Fourth Quarter, 1978

| | United States | | | Maine | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 1,672 | 1,729 | 1,861 | n.a. | 16.3 | 11.3 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 497 | 511 | 554 | n.a. | 14.2 | 11.3 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 492 | 503 | 544 | n.a. | 20.2 | 10.5 | --- | --- |
| Real estate | 177,935 | n.a. | 633 | 670 | 727 | n.a. | 19.9 | 14.8 | --- | --- |
| Residential | 101,236 | n.a. | 305 | 321 | 350 | n.a. | 21.3 | 14.6 | --- | --- |
| Farms | 7,731 | n.a. | 7 | 7 | 7 | n.a. | 10.7 | -2.0 | --- | --- |
| Other | 68,968 | n.a. | 321 | 342 | 370 | n.a. | 19.0 | 15.3 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 17 | 19 | 14 | n.a. | 6.8 | -16.5 | --- | --- |
| Other | 69,947 | n.a. | 31 | 27 | 22 | n.a. | 8.0 | -29.7 | --- | --- |
| Total deposits | 925,511 | n.a. | 2,421 | 2,391 | 2,618 | n.a. | 11.5 | 8.2 | --- | --- |
| Demand | 377,683 | n.a. | 777 | 788 | 790 | n.a. | 10.2 | 1.7 | --- | --- |
| Time and savings | 547,828 | n.a. | 1,644 | 1,604 | 1,828 | n.a. | 12.3 | 11.2 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 5.3 percent in Maine versus 16.8 percent in the Nation (table 6). Maine's increase ranked 35th among the States. In 1978:IV, contracts in the State totaled \$182 million, for an increase over the year of \$9 million. Nearly all major construction categories were weak.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Maine, the real valuation of construction contracts in the State declined about 8 percent versus a national increase of about 4 percent.

Contracts for additions and alterations to residential housekeeping units declined slightly in valuation in the State, in sharp contrast with an increase of 14.6 percent in the Nation. Maine was one of only five States with a decline. The valuation of residential housekeeping contracts

increased 9.6 percent versus 15.6 percent in the Nation. The number of dwelling units started declined 7.7 percent, or 143 units, to 1,713 units. Nationally, in contrast, the number of dwelling units started was virtually unchanged at a high level.

The valuation of nonbuilding contracts declined 30.2 percent in Maine versus an increase of 22.2 percent in the Nation. Partly accounting for Maine's decline was a decline of 12.6 percent in the valuation of street and highway contracts. The valuation of street and highway contracts declined 16.3 percent in the Nation.

The valuation of nonresidential contracts increased 40.2 percent versus an increase of 15.8 percent in the Nation. Only eight States had larger increases. The nonresidential category was the only construction category in which Maine's increase was larger than the Nation's.

Chart 14.—Construction Contracts—Total Valuation

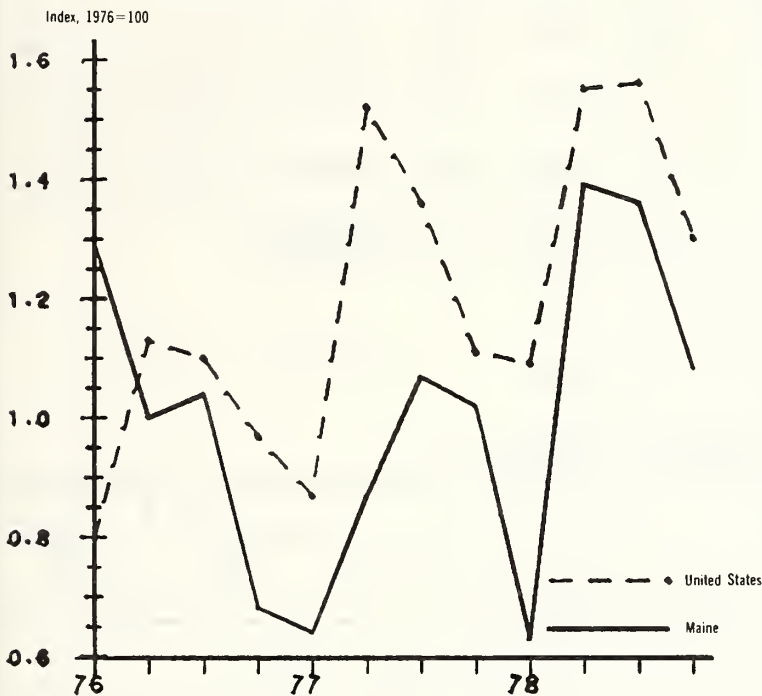


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Maine

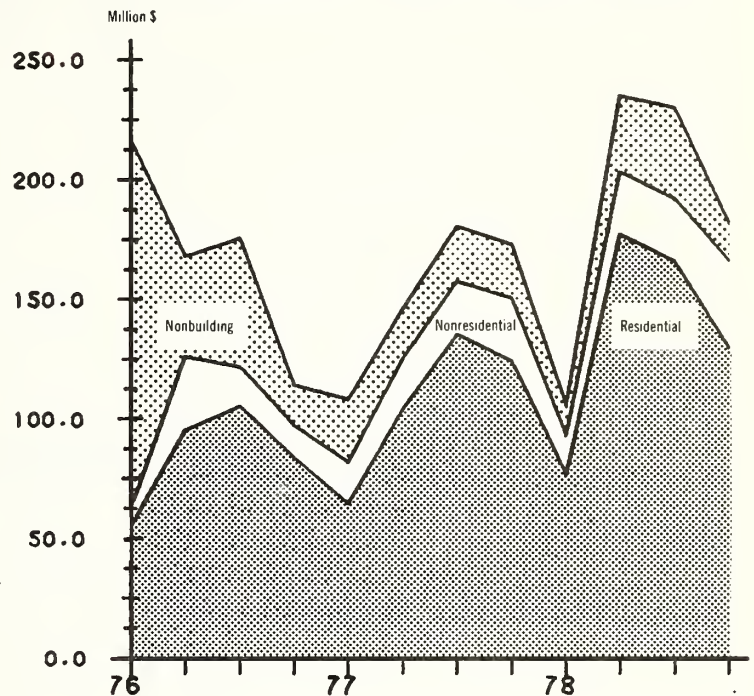


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

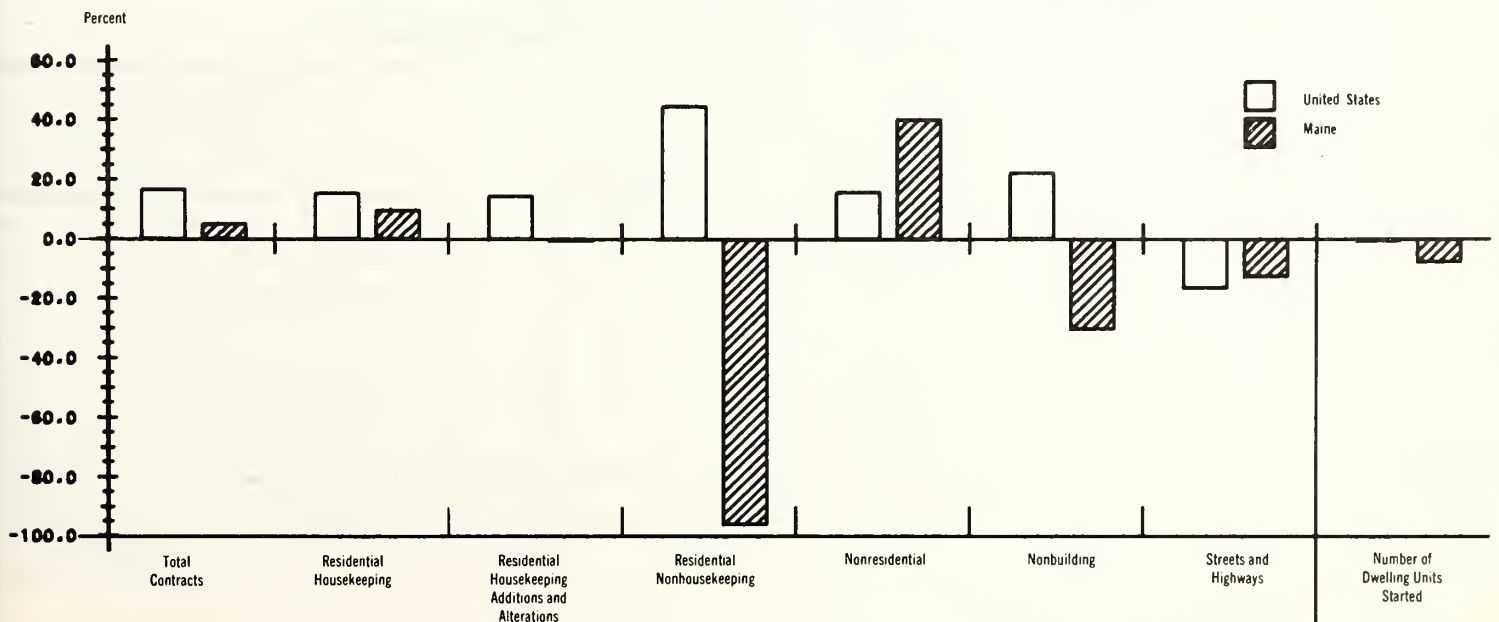


TABLE 6.—Construction Contracts, United States and Maine Through Fourth Quarter, 1978¹

| | United States | | | Maine | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 180,503 | 172,941 | 230,030 | 182,038 | 14.5 | 27.4 | 16.8 | 5.3 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars)..... | 7,707,987 | 8,832,353 | 66,600 | 55,334 | 71,911 | 55,070 | 16.8 | 8.0 | 14.6 | -5 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 254 | 241 | 368 | 243 | 4.4 | 44.9 | -9.3 | .8 |
| Valuation (thousands of dollars)..... | 31,205,124 | 36,627,420 | 113,903 | 117,607 | 158,119 | 126,968 | 14.0 | 38.8 | 17.4 | 8.0 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 3,770 | 3,328 | 4,678 | 3,972 | 10.8 | 24.1 | 10.2 | 19.3 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 66 | 66 | 71 | 64 | -5.1 | 7.6 | -4.3 | -3.0 |
| Number of dwelling units | 445,772 | 443,075 | 1,891 | 1,856 | 2,226 | 1,713 | 1.0 | 17.7 | -6 | -7.7 |
| Valuation (thousands of dollars)..... | 14,879,596 | 17,198,518 | 68,654 | 67,887 | 92,974 | 74,423 | 15.3 | 35.4 | 15.6 | 9.6 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 2,792 | 2,682 | 3,651 | 2,903 | 10.3 | 30.7 | 10.7 | 8.2 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 2 | 1 | 1 | 1 | -10.0 | -50.0 | -4 | .0 |
| Valuation (thousands of dollars)..... | 338,637 | 490,279 | 55 | 924 | 1,000 | 34 | 9.4 | *** | 44.8 | -96.3 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 1 | 20 | 42 | 0 | -7 | *** | 24.7 | --- |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 91 | 80 | 118 | 100 | -2.5 | 29.7 | -12.0 | 25.0 |
| Valuation (thousands of dollars)..... | 9,334,415 | 10,810,769 | 22,272 | 26,207 | 25,907 | 36,755 | 27.6 | 16.3 | 15.8 | 40.2 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 977 | 626 | 986 | 1,069 | 12.2 | .9 | 8.9 | 70.7 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 95 | 94 | 178 | 78 | 22.4 | 87.4 | -9.1 | -17.0 |
| Valuation (thousands of dollars)..... | 6,652,476 | 8,127,854 | 22,922 | 22,589 | 38,238 | 15,756 | -1 | 66.8 | 22.2 | -30.2 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 33 | 21 | 55 | 21 | 9.3 | 66.7 | -17.8 | .0 |
| Valuation (thousands of dollars)..... | 2,308,681 | 1,931,341 | 12,146 | 6,415 | 11,208 | 5,605 | 3.0 | -7.7 | -16.3 | -12.6 |

***Percent change greater than 999.9.

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Maine are not available.

TABLE 7.—Retail Sales, United States and Maine Through Fourth Quarter, 1978

| | United States | | | Maine | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|---------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | | | | | | | | | | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

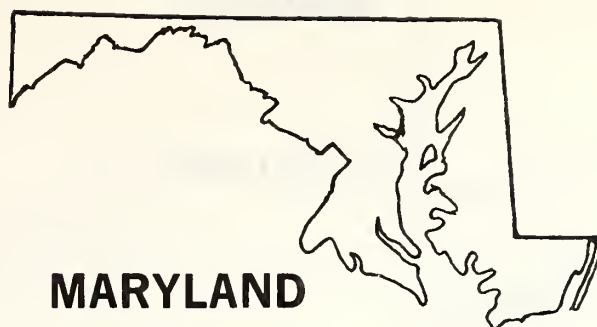
TABLE 8.—Business Incorporations and Failures, United States and Maine Through Fourth Quarter, 1978

| | United States | | | Maine | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 354 | 434 | 439 | n.a. | 8.2 | 24.0 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 0 | 0 | 0 | n.a. | -9.5 | --- | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 0 | 0 | 0 | n.a. | -44.2 | --- | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 0 | 0 | 0 | n.a. | -38.4 | --- | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 0 | 0 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 0 | 0 | 0 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade..... | 191 | n.a. | 0 | 0 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 0 | 0 | 0 | n.a. | -4.2 | --- | --- | --- |
| Commercial services | 238 | n.a. | 0 | 0 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 10.4% vs. 12.6% in U.S., to \$35.9 billion —Private service-type payrolls up 10.7% vs. 13.1% in U.S. —Federal Government payrolls up 5.6% vs. 7.1% in U.S. |
| Consumer prices | —Up 6.4% in Baltimore and 9.1% in Washington, D.C. vs. 8.9% in U.S. |
| Employment | —Up 5.5% vs. 3.9% in U.S., to 2.0 million |
| Unemployment | —Down 2,000, to 105,000 —Rate down 0.3 percentage point, to 5.1% of labor force vs. 5.5% in U.S. |
| Construction | —Total valuation of contracts up 31.5% vs. 16.8% in U.S., to \$754 million —Nonbuilding contracts more than doubled in valuation vs. 22.2% gain in U.S., to \$170 million —Number of dwelling-unit starts down 6.8% vs. near stability in U.S., to 6,019 |
| Retail sales | —Up 8.2% vs. 11.2% in U.S., to \$4.4 billion |

TABLE 1.—Summary of Economic Indicators, United States and Maryland Through Fourth Quarter, 1978

| | United States | | | Maryland | | | U.S. | State | U.S. | State |
|--|--|------------|----------|----------|-----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 31,579 | 32,510 | 34,791 | 35,884 | 12.4 | 10.2 | 12.6 | 10.4 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 18,859 | 19,333 | 20,717 | 21,288 | 12.1 | 9.8 | 12.6 | 10.1 |
| Civilian employment (thousands) | 92,442 | 96,010 | 1,855 | 1,856 | 1,953 | 1,958 | 4.1 | 5.3 | 3.9 | 5.5 |
| Unemployment (thousands) | 6,149 | 5,605 | 109 | 107 | 96 | 105 | —9.8 | —11.9 | —8.8 | —1.9 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 5.5 | 5.4 | 4.7 | 5.1 | — | — | — | — |
| Total loans (millions of dollars) | 610,502 | n.a. | 7,537 | 7,719 | 8,448 | n.a. | 16.3 | 12.1 | — | — |
| Total deposits (millions of dollars) | 925,511 | n.a. | 10,507 | 10,618 | 11,226 | n.a. | 11.5 | 6.8 | — | — |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 813,540 | 573,257 | 1,007,938 | 753,997 | 14.5 | 23.9 | 16.8 | 31.5 |
| Dwelling units started (number) | 445,772 | 443,075 | 8,613 | 6,455 | 7,198 | 6,019 | 1.0 | —16.4 | —6 | —6.8 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | 4,077 | 4,083 | 4,412 | 10.3 | — | 11.2 | 8.2 |
| New business incorporations (number) | 109,411 | n.a. | 1,795 | 1,942 | 2,150 | n.a. | 8.2 | 19.8 | — | — |
| Business failures (number) | 1,684 | n.a. | 53 | 64 | 20 | n.a. | —9.5 | —62.3 | — | — |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | — | — | — | — | 7.9 | — | 8.9 | — |
| Baltimore | — | — | 188.8 | 190.7 | 202.6 | 203.0 | — | 7.3 | — | 6.4 |
| Washington, D.C. | — | — | 185.5 | 188.1 | 201.8 | 205.3 | — | 8.8 | — | 9.1 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Maryland increased 10.4 percent from 1977:IV to 1978:IV, lagging the Nation's gain by over 2 percentage points (table 2). In 1978:IV, Maryland's personal income totaled \$35.9 billion, up \$3.4 billion since 1977:IV. During this timespan, **consumer prices** increased 6.4 percent in the Baltimore metropolitan area and 9.1 percent in the Washington, D.C. area; nationally, the price increase was 8.9 percent (table 3). If the average of the two metropolitan area increases is used as an indicator for price increases throughout the State, real total personal income in Maryland increased about 2.7 percent from year to year versus 3.7 percent nationally.

Since the last national business cycle peak in 1973:IV, Maryland's economy has grown more slowly than the Nation's; the increase in the

State's nonfarm income was 16 percent less than nationally, ranking Maryland 45th among all States.

Wage and salary disbursements (payrolls) in Maryland increased 10.1 percent from 1977:IV to 1978:IV, a rate that was lower in only three States. Payrolls in most major industries registered gains that lagged national counterparts. Federal Government payrolls increased 5.6 percent, the smallest payroll gain in Maryland, to \$3.1 billion. Nondurables manufacturing payrolls increased 7.5 percent, 2.5 percentage points below the Nation's average increase; durables payrolls increased 13.2 percent, 2.0 percentage points below the Nation's increase. Trade payrolls increased 9.4 percent, a rate that was lower in only two States, to \$3.7 billion. Services payrolls increased 12.0 percent, lagging the 12.7-percent national gain, to \$3.6 billion.

Construction payrolls increased 16.0 percent—the largest payroll gain in the State—versus 20.1 percent nationally.

Transportation-communication-public utilities payrolls increased 13.2 percent, compared with 11.3 percent nationally. State and local government payrolls increased 8.9 percent, outpacing the national gain of 6.8 percent, to \$3.2 billion.

State unemployment insurance benefits declined 38.6 percent from year to year, to \$101 million.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]

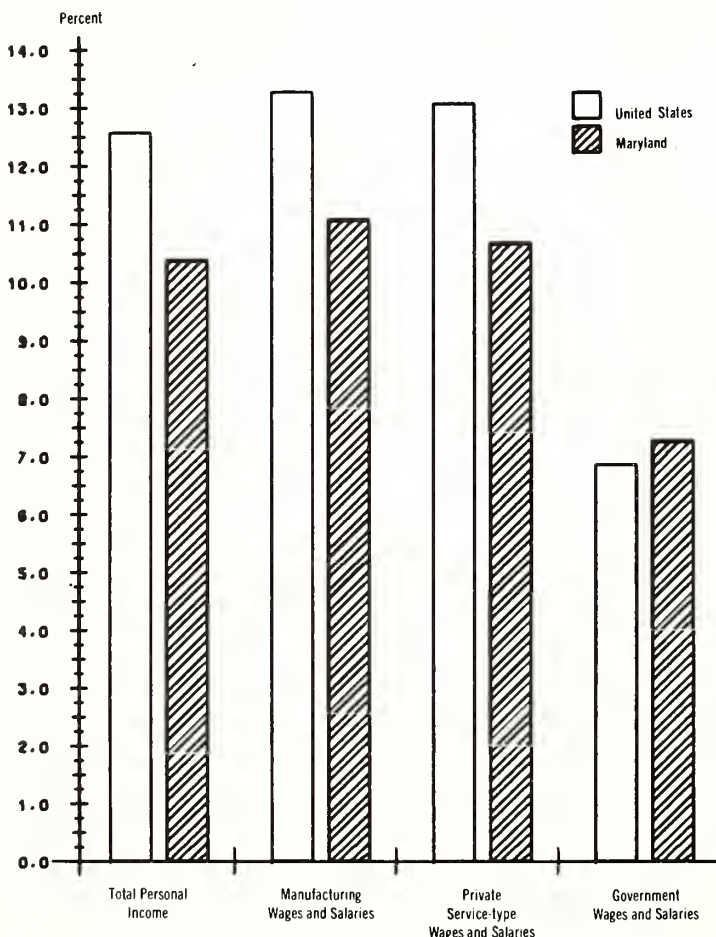


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

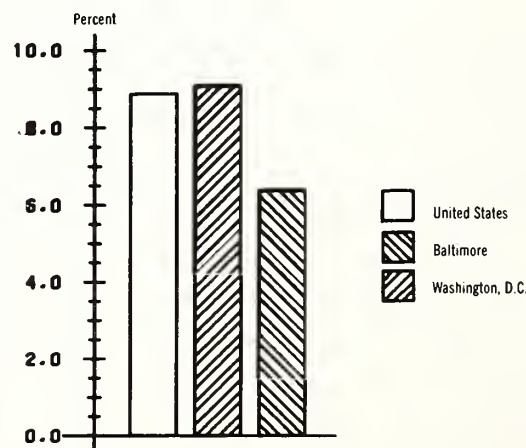


Chart 3.—Total Personal Income
[Seasonally adjusted]

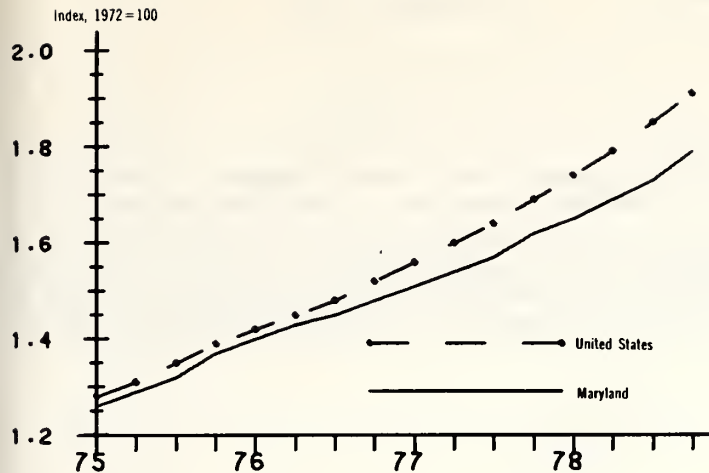


Chart 4.—Industrial Composition of Wages and Salaries: Maryland
[Seasonally adjusted]

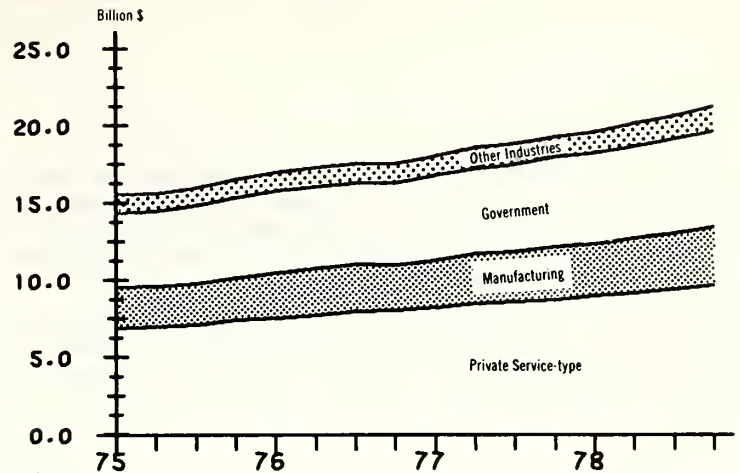


TABLE 2.—Personal Income, United States and Maryland Through Fourth Quarter, 1978

| | United States | | | Maryland | | | U.S. | State | U.S. | State |
|---|---------------|-----------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 31,579 | 32,510 | 34,791 | 35,884 | 12.4 | 10.2 | 12.6 | 10.4 |
| Farm personal income..... | 31,224 | 39,451 | 130 | 162 | 262 | 314 | 47.9 | 102.1 | 26.3 | 93.9 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 31,450 | 32,348 | 34,529 | 35,570 | 11.9 | 9.8 | 12.3 | 10.0 |
| Total personal income | 1,583,508 | 1,782,519 | 31,579 | 32,510 | 34,791 | 35,884 | 12.4 | 10.2 | 12.6 | 10.4 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 18,859 | 19,333 | 20,717 | 21,288 | 12.1 | 9.8 | 12.6 | 10.1 |
| Other labor income | 96,016 | 111,719 | 1,513 | 1,586 | 1,748 | 1,805 | 17.0 | 15.6 | 16.4 | 13.8 |
| Proprietors' income..... | 105,953 | 125,995 | 1,565 | 1,617 | 1,851 | 1,959 | 21.5 | 18.3 | 18.9 | 21.1 |
| Farm | 23,636 | 31,044 | 62 | 93 | 189 | 237 | 66.6 | 203.7 | 31.3 | 154.4 |
| Nonfarm | 82,317 | 94,951 | 1,502 | 1,524 | 1,662 | 1,722 | 12.8 | 10.6 | 15.3 | 13.0 |
| Dividends, interest, and rent | 214,992 | 242,442 | 3,268 | 3,339 | 3,608 | 3,697 | 12.3 | 10.4 | 12.8 | 10.7 |
| Transfer payments | 215,944 | 233,750 | 3,824 | 3,909 | 4,174 | 4,246 | 8.8 | 9.2 | 8.2 | 8.6 |
| State unemployment insurance benefits..... | 11,128 | 7,753 | 150 | 165 | 102 | 101 | -24.0 | -32.1 | -30.3 | -38.6 |
| Less: personal contributions | 62,212 | 71,610 | 1,208 | 1,234 | 1,360 | 1,386 | 14.8 | 12.6 | 15.1 | 12.4 |
| Plus: residence adjustment | -401 | -473 | 3,759 | 3,960 | 4,053 | 4,275 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 18,859 | 19,333 | 20,717 | 21,288 | 12.1 | 9.8 | 12.6 | 10.1 |
| Farm | 7,176 | 7,939 | 62 | 63 | 67 | 70 | 8.5 | 8.2 | 10.6 | 11.5 |
| Nonfarm | 1,006,040 | 1,132,757 | 18,797 | 19,270 | 20,650 | 21,218 | 12.1 | 9.9 | 12.6 | 10.1 |
| Mining..... | 14,048 | 18,813 | 23 | 19 | 26 | 26 | 26.5 | 12.8 | 33.9 | 40.5 |
| Construction | 55,648 | 66,858 | 1,213 | 1,227 | 1,386 | 1,424 | 19.1 | 14.3 | 20.1 | 16.0 |
| Manufacturing | 276,112 | 312,970 | 3,235 | 3,412 | 3,629 | 3,790 | 12.1 | 12.2 | 13.3 | 11.1 |
| Durable goods | 176,216 | 203,053 | 1,969 | 2,145 | 2,322 | 2,428 | 13.7 | 17.9 | 15.2 | 13.2 |
| Nondurable goods | 99,896 | 109,917 | 1,266 | 1,267 | 1,307 | 1,362 | 9.4 | 3.2 | 10.0 | 7.5 |
| Private service-type | 455,764 | 515,348 | 8,618 | 8,765 | 9,455 | 9,704 | 12.8 | 9.7 | 13.1 | 10.7 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 1,215 | 1,210 | 1,327 | 1,370 | 10.4 | 9.2 | 11.3 | 13.2 |
| Wholesale and retail trade | 170,888 | 195,035 | 3,313 | 3,352 | 3,588 | 3,667 | 13.6 | 8.3 | 14.1 | 9.4 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 942 | 965 | 1,020 | 1,041 | 14.1 | 8.3 | 13.2 | 7.9 |
| Services..... | 153,840 | 173,396 | 3,148 | 3,238 | 3,520 | 3,625 | 12.6 | 11.8 | 12.7 | 12.0 |
| Government | 201,252 | 215,083 | 5,663 | 5,801 | 6,101 | 6,223 | 7.4 | 7.7 | 6.9 | 7.3 |
| Federal..... | 68,176 | 73,003 | 2,812 | 2,903 | 2,938 | 3,065 | 7.3 | 4.5 | 7.1 | 5.6 |
| State and local | 133,076 | 142,080 | 2,851 | 2,899 | 3,163 | 3,157 | 7.5 | 11.0 | 6.8 | 8.9 |
| Other | 3,216 | 3,685 | 45 | 46 | 52 | 52 | 18.7 | 16.2 | 14.6 | 13.1 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Maryland Through Fourth Quarter, 1978¹

| | United States | | | Maryland | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Baltimore | --- | --- | 188.8 | 190.7 | 202.6 | 203.0 | --- | 7.3 | --- | 6.4 |
| Washington, D.C. | --- | --- | 185.5 | 188.1 | 201.8 | 205.3 | --- | 8.8 | --- | 9.1 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Maryland's **civilian labor force** increased 5.1 percent, well above the Nation's 3.1-percent advance and among the largest of all State advances (table 4). **Total employment** increased from 1.9 million to 2.0 million, a 5.5-percent advance that led the national average advance by 1.6 percentage points.

With employment increasing by 102,000 and the labor force increasing by 100,000, the number of **unemployed** declined by 2,000. The **unemployment rate** declined 0.3 percentage point, to 5.1 percent of the

labor force, compared with 5.5 percent nationally. In 1978:IV, as in 1977:IV, Maryland's unemployment rate was lower than the Nation's.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, the unemployment rate in the Baltimore metropolitan area was 6.2 percent, and the rate in the rest of the State was 5.1 percent. The preliminary statewide rate was 5.6 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Maryland

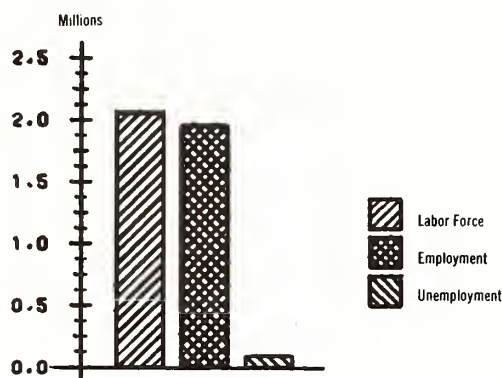


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

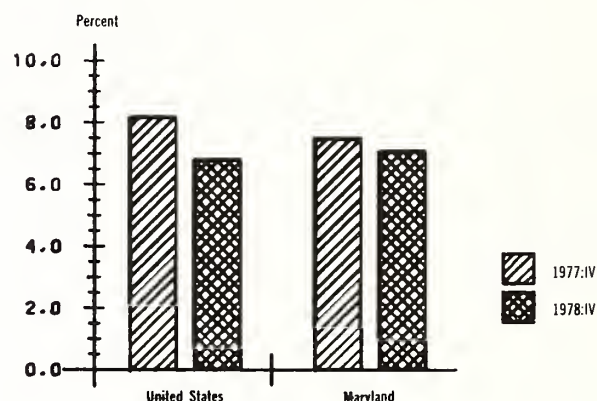


TABLE 4.—Labor Force, United States and Maryland Through Fourth Quarter, 1978

| | United States | | | Maryland | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,551 | 1,562 | 1,601 | 1,619 | 4.3 | 3.2 | 4.2 | 3.7 |
| Mining | 787 | 899 | 2 | 1 | 2 | 2 | 8.2 | .0 | 14.2 | 7.1 |
| Construction | 4,032 | 4,488 | 93 | 91 | 99 | 97 | 10.4 | 6.9 | 11.3 | 6.3 |
| Manufacturing | 19,986 | 20,722 | 237 | 238 | 244 | 246 | 3.1 | 3.0 | 3.7 | 3.5 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 83 | 81 | 83 | 85 | 3.8 | .4 | 4.4 | 5.5 |
| Wholesale and retail trade | 19,152 | 20,015 | 373 | 378 | 379 | 388 | 5.3 | 1.4 | 4.5 | 2.9 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 85 | 85 | 89 | 87 | 4.8 | 4.4 | -2.0 | 3.3 |
| Services | 15,539 | 16,215 | 310 | 307 | 324 | 324 | 4.6 | 4.3 | 4.4 | 5.4 |
| Government | 15,434 | 15,656 | 369 | 382 | 382 | 390 | 2.1 | 3.7 | 1.4 | 2.1 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,963 | 1,963 | 2,048 | 2,063 | 3.2 | 4.3 | 3.1 | 5.1 |
| Total employed | 92,442 | 96,010 | 1,855 | 1,856 | 1,953 | 1,958 | 4.1 | 5.3 | 3.9 | 5.5 |
| Total unemployed | 6,149 | 5,605 | 109 | 107 | 96 | 105 | -9.8 | -11.9 | -8.8 | -1.9 |
| Percent unemployed | 6.2 | 5.5 | 5.5 | 5.4 | 4.7 | 5.1 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

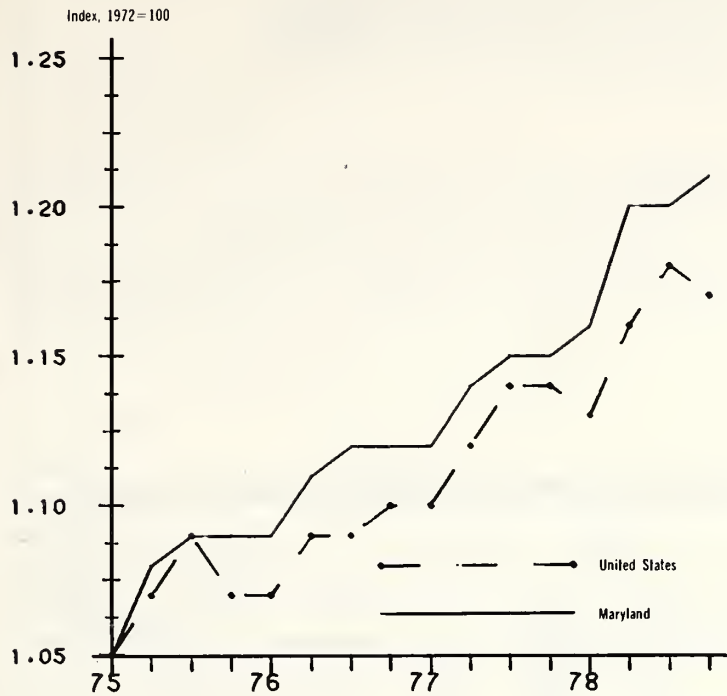


Chart 8.—Civilian Employment

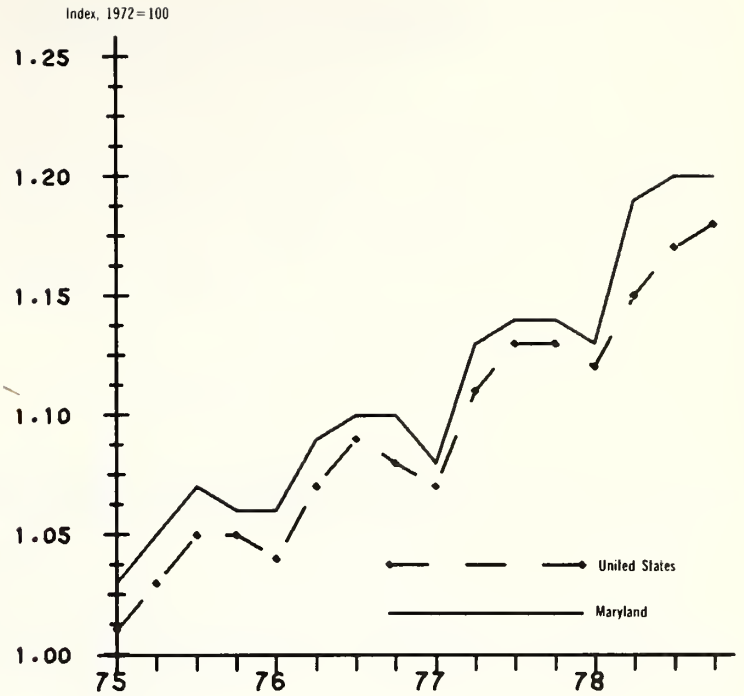


Chart 9.—Unemployment Rate

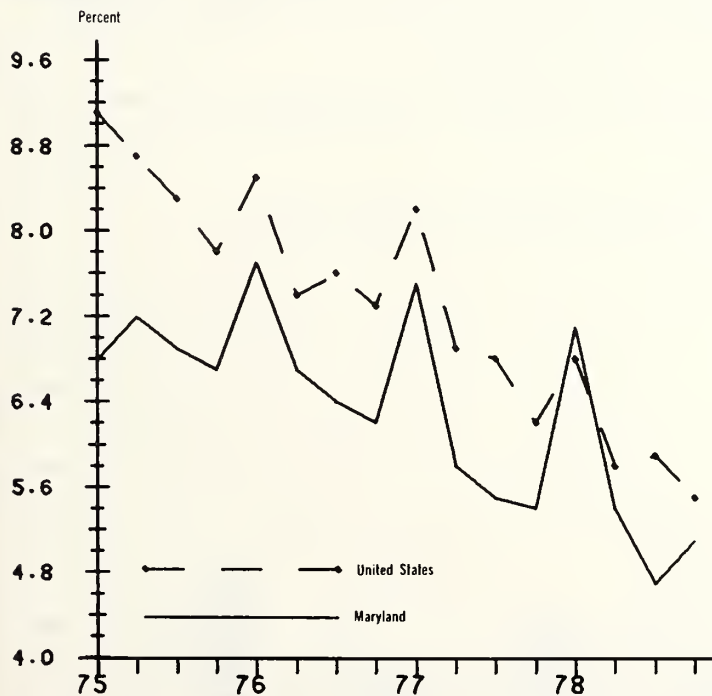
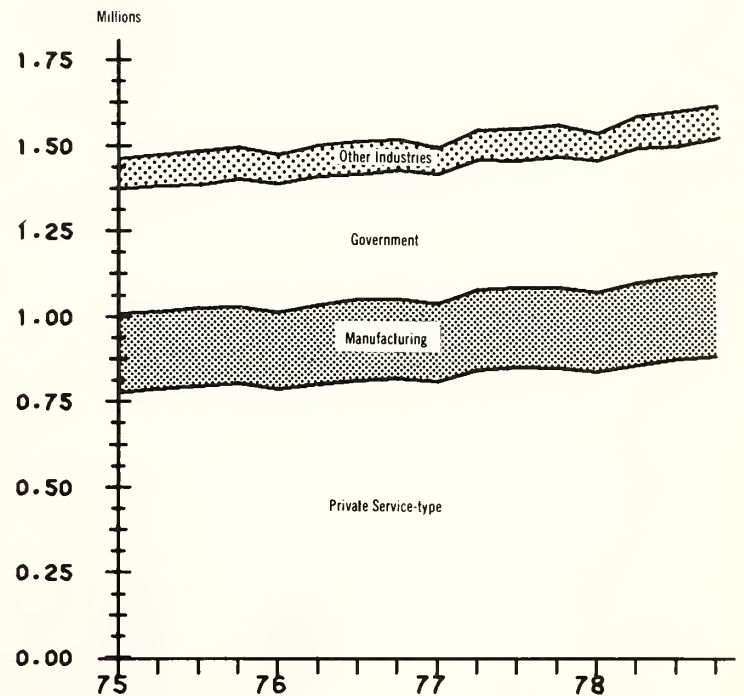


Chart 10.—Industrial Composition of Nonagricultural Employment: Maryland



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Maryland Through Fourth Quarter, 1978

| | United States | | | Maryland | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 7,537 | 7,719 | 8,448 | n.a. | 16.3 | 12.1 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 1,634 | 1,614 | 1,779 | n.a. | 14.2 | 8.9 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 2,276 | 2,371 | 2,619 | n.a. | 20.2 | 15.1 | --- | --- |
| Real estate | 177,935 | n.a. | 3,031 | 3,164 | 3,485 | n.a. | 19.9 | 15.0 | --- | --- |
| Residential | 101,236 | n.a. | 1,725 | 1,843 | 2,112 | n.a. | 21.3 | 22.4 | --- | --- |
| Farms | 7,731 | n.a. | 71 | 69 | 76 | n.a. | 10.7 | 6.1 | --- | --- |
| Other | 68,968 | n.a. | 1,234 | 1,251 | 1,297 | n.a. | 19.0 | 5.1 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 61 | 59 | 60 | n.a. | 6.8 | -1.8 | --- | --- |
| Other | 69,947 | n.a. | 535 | 512 | 505 | n.a. | 8.0 | -5.6 | --- | --- |
| Total deposits | 925,511 | n.a. | 10,507 | 10,618 | 11,226 | n.a. | 11.5 | 6.8 | --- | --- |
| Demand | 377,683 | n.a. | 4,192 | 4,198 | 4,468 | n.a. | 10.2 | 6.6 | --- | --- |
| Time and savings | 547,828 | n.a. | 6,315 | 6,420 | 6,758 | n.a. | 12.3 | 7.0 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts rose 31.5 percent from 1977:IV to 1978:IV, to \$754 million (table 6). Maryland's gain far exceeded the Nation's 16.8-percent average gain and ranked seventh among all State gains. National construction costs rose almost 13 percent during the same timespan; if this rise reflects the advance throughout Maryland, the real total valuation of contracts rose more than 18 percent in the State versus a national rise of about 4 percent.

The valuation of nonbuilding contracts rose to well over twice the level of a year previous. Maryland's percent gain ranked fourth in the Nation and was over six times as large as the Nation's 22.2-percent gain. The State's gain totaled \$98.6 million and accounted for 55 percent of the gain in the valuation of all contracts. A major component of nonbuilding contracts, streets and highways, registered a 72.5-percent gain in valuation, in contrast with a decline of 16.3 percent nationally.

Nonresidential contracts rose 30.1 percent in valuation from year to year, almost twice the Nation's average gain, to \$186.5 million.

The valuation of contracts for additions and alterations to residential housekeeping units rose 20.4 percent, almost 6 percentage points more than nationally, to \$153.8 million.

Registering the smallest gain among major construction categories in the State, residential housekeeping contracts rose only 5.5 percent in valuation, lagging the Nation's gain of 15.6 percent. The gain was one of the smallest registered among all States. The number of dwelling units started in Maryland declined 6.8 percent, or 436 units, to 6,019. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

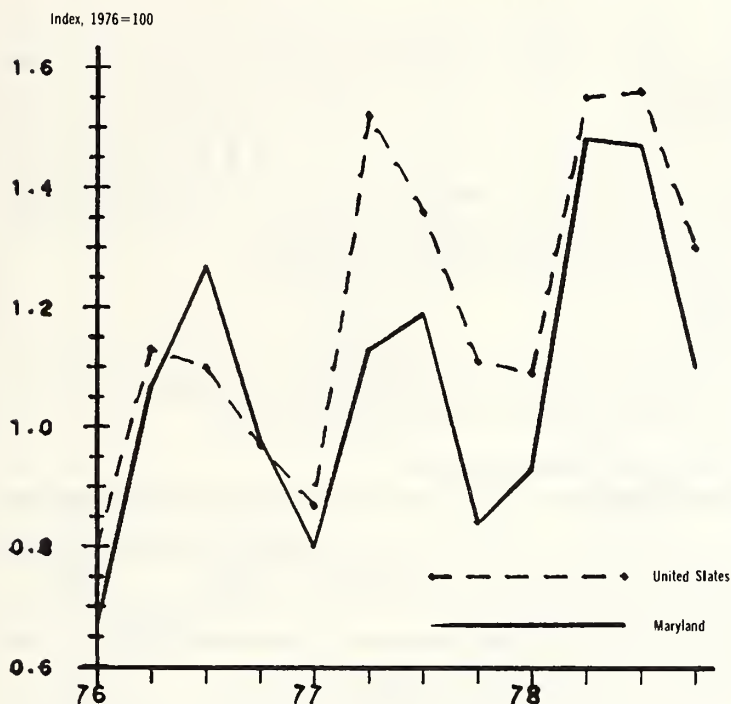


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Maryland

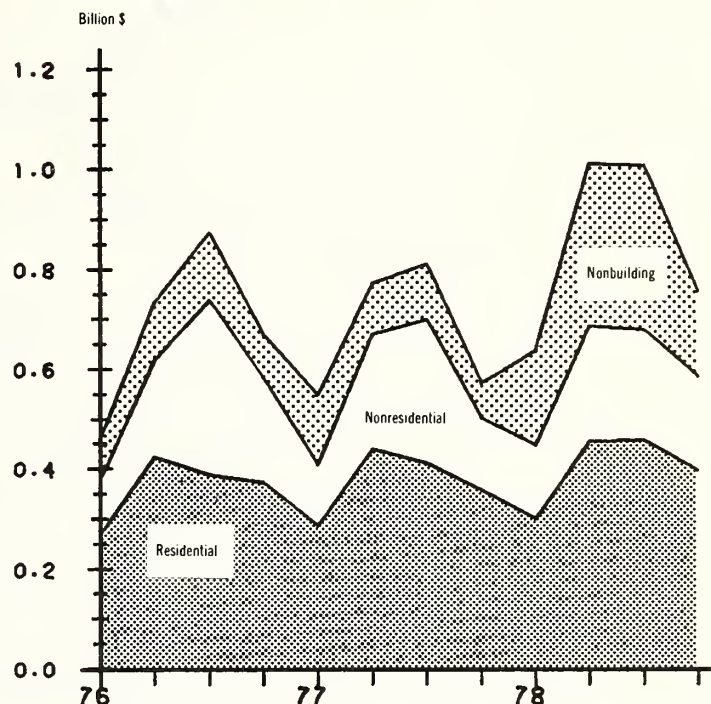


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

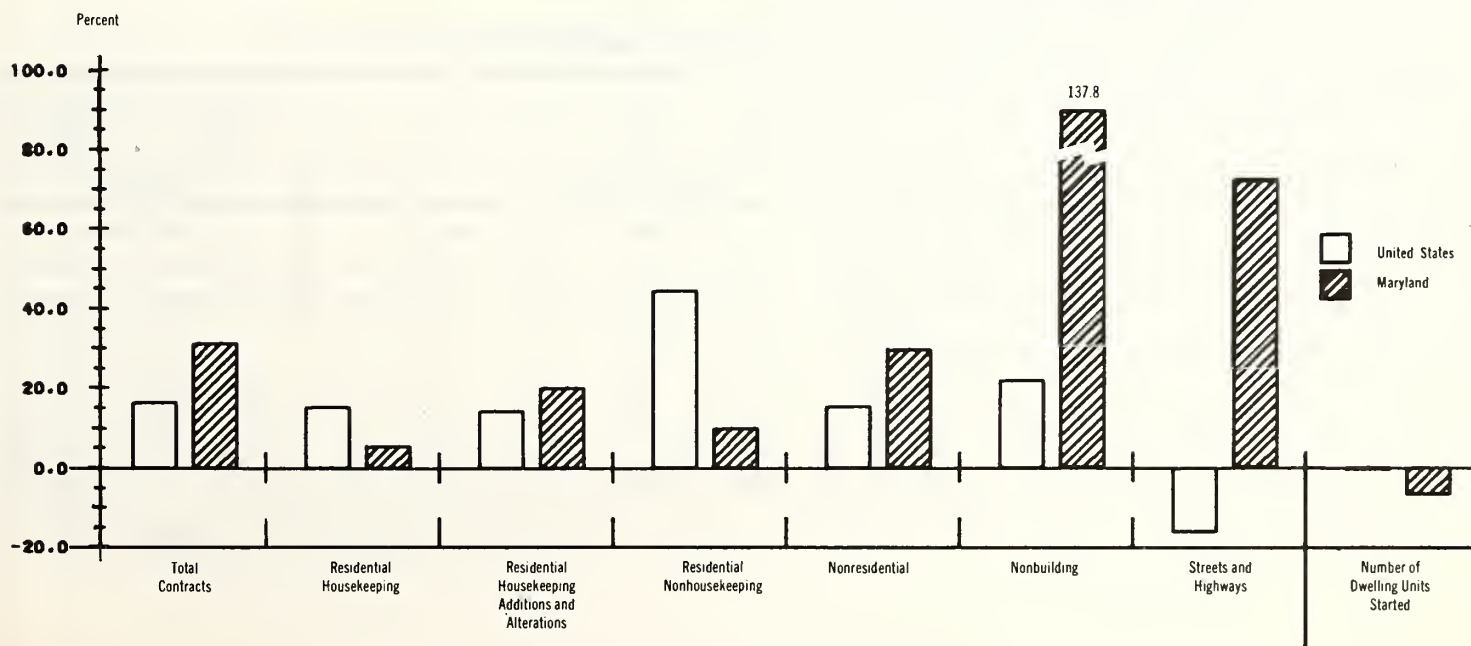


TABLE 6.—Construction Contracts, United States and Maryland Through Fourth Quarter, 1978¹

| | United States | | | Maryland | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|----------|-----------|---------|-----------------------------|---------------------|-------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 813,540 | 573,257 | 1,007,938 | 753,997 | 14.5 | 23.9 | 16.8 | 31.5 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 129,489 | 127,721 | 161,430 | 153,783 | 16.8 | 24.7 | 14.6 | 20.4 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,000 | 1,064 | 1,343 | 1,084 | 4.4 | 34.3 | -9.3 | 1.9 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 684,051 | 445,536 | 846,508 | 600,214 | 14.0 | 23.7 | 17.4 | 34.7 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 18,810 | 12,905 | 17,614 | 15,065 | 10.8 | -6.4 | 10.2 | 16.7 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 133 | 117 | 113 | 106 | -5.1 | -15.0 | -4.3 | -9.4 |
| Number of dwelling units | 445,772 | 443,075 | 8,613 | 6,455 | 7,198 | 6,019 | 1.0 | -16.4 | -6 | -6.8 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 272,791 | 225,083 | 294,038 | 237,436 | 15.3 | 7.8 | 15.6 | 5.5 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 11,576 | 9,362 | 11,739 | 9,819 | 10.3 | 1.4 | 10.7 | 4.9 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 11 | 8 | 4 | 8 | -10.0 | -63.6 | -4 | .0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 9,189 | 5,601 | 2,778 | 6,166 | 9.4 | -69.8 | 44.8 | 10.1 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 284 | 139 | 87 | 123 | -7 | -69.2 | 24.7 | -11.3 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 615 | 616 | 517 | 466 | -2.5 | -15.9 | -12.0 | -24.4 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 289,027 | 143,332 | 221,000 | 186,546 | 27.6 | -23.5 | 15.8 | 30.1 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 6,950 | 3,405 | 5,788 | 5,123 | 12.2 | -16.7 | 8.9 | 50.4 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 241 | 323 | 709 | 504 | 22.4 | 194.2 | -9.1 | 56.0 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 113,044 | 71,520 | 328,692 | 170,066 | -1 | 190.8 | 22.2 | 137.8 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 71 | 73 | 180 | 91 | 9.3 | 153.5 | -17.8 | 24.7 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 28,631 | 20,075 | 76,433 | 34,637 | 3.0 | 167.0 | -16.3 | 72.5 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Maryland totaled \$4.4 billion in 1978:IV, up 8.2 percent increase (table 7). In 1978:IV, nondurable goods accounted for \$3.1 billion, and durable goods accounted for \$1.3 billion.

TABLE 7.—Retail Sales, United States and Maryland Through Fourth Quarter, 1978

| | United States | | | Maryland | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | 4,077 | 4,083 | 4,412 | 10.3 | --- | 11.2 | 8.2 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 1,318 | 1,312 | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | 2,765 | 3,100 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Maryland Through Fourth Quarter, 1978

| | United States | | | Maryland | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 1,795 | 1,942 | 2,150 | n.a. | 8.2 | 19.8 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 53 | 64 | 20 | n.a. | -9.5 | -62.3 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 7,122 | 5,645 | 1,713 | n.a. | -44.2 | -75.9 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 134 | 88 | 86 | n.a. | -38.4 | -35.8 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 7 | 11 | 1 | n.a. | -10.1 | -85.7 | --- | --- |
| Construction | 319 | n.a. | 15 | 25 | 6 | n.a. | 1.0 | -60.0 | --- | --- |
| Wholesale trade | 191 | n.a. | 3 | 7 | 2 | n.a. | -27.1 | -33.3 | --- | --- |
| Retail trade | 688 | n.a. | 19 | 18 | 8 | n.a. | -4.2 | -57.9 | --- | --- |
| Commercial services | 238 | n.a. | 9 | 3 | 2 | n.a. | -24.0 | -77.8 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 11.4%, 1.2 percentage points less than in U.S. —Weak increases in construction and transportation-communication-public utilities |
| Consumer prices | —Up 7.5% in Boston vs. 8.9% in U.S. |
| Employment | —Up 2.9% vs. 3.9% in U.S., to almost 2.7 million |
| Unemployment | —Down between 36,000 and 37,000, to 144,000 —Rate down to 5.1% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 22.1% vs. 16.8% in U.S., to \$884 million —Two unusually large contracts accounted for one-half of State gain —Number of dwelling-unit starts down 1.0% vs. little change in U.S., to 5,541 |
| Retail sales | —Up 13.2% vs. 11.2% in U.S., to \$5.8 billion |

TABLE 1.—Summary of Economic Indicators, United States and Massachusetts Through Fourth Quarter, 1978

| | United States | | | Massachusetts | | | U.S. | State | U.S. | State |
|--|--|------------|----------|---------------|----------|---------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 2,2519 | 42,342 | 43,460 | 47,259 | 48,400 | 12.4 | 11.6 | 12.6 | 11.4 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 26,953 | 27,698 | 30,335 | 31,104 | 12.1 | 12.5 | 12.6 | 12.3 |
| Civilian employment (thousands) | 92,442 | 96,010 | 2,581 | 2,614 | 2,703 | 2,688 | 4.1 | 4.7 | 3.9 | 2.9 |
| Unemployment (thousands) | 6,149 | 5,605 | 244 | 181 | 181 | 144 | -9.8 | -25.8 | -8.8 | -20.4 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 8.6 | 6.5 | 6.3 | 5.1 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 10,043 | 10,251 | 11,226 | n.a. | 16.3 | 11.8 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 15,331 | 16,334 | 16,652 | n.a. | 11.5 | 8.6 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 706,577 | 723,512 | 917,119 | 883,726 | 14.5 | 29.8 | 16.8 | 22.1 |
| Dwelling units started (number) | 445,772 | 443,075 | 5,000 | 5,598 | 6,387 | 5,541 | 1.0 | 27.7 | -6 | -1.0 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 4,515 | 5,136 | 5,084 | 5,813 | 10.3 | 12.6 | 11.2 | 13.2 |
| New business incorporations (number) | 109,411 | n.a. | 2,289 | 2,504 | 2,414 | n.a. | 8.2 | 5.5 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 81 | 61 | 53 | n.a. | -9.5 | -34.6 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Boston | --- | --- | 185.0 | 185.3 | 194.2 | 199.2 | --- | 5.0 | --- | 7.5 |

n.a.: Data not available.

Source: See tables 2 through 8.

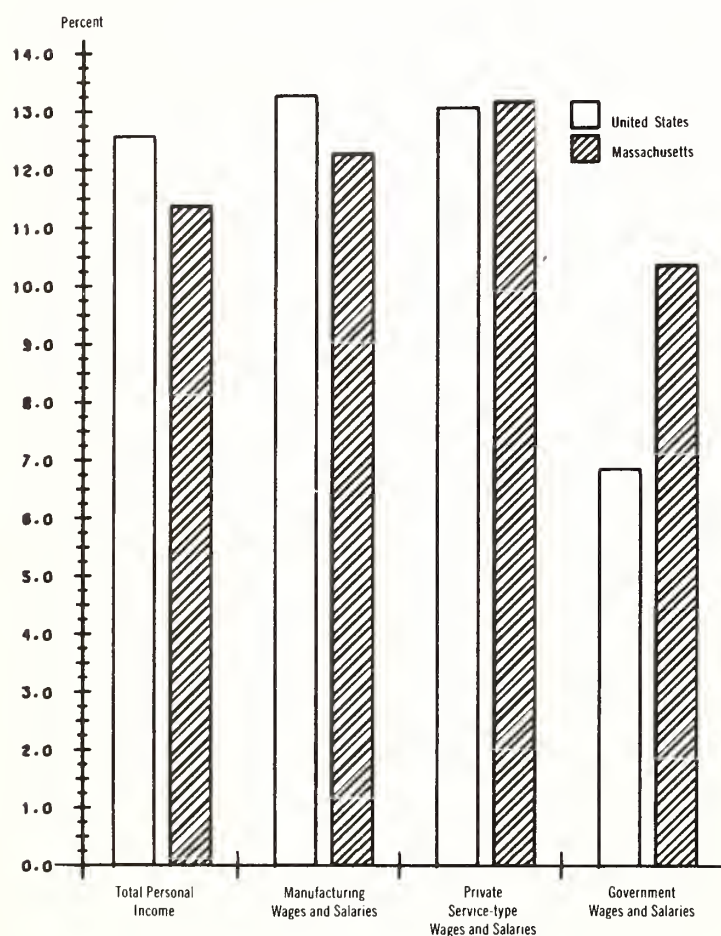
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.4 percent from 1977:IV to 1978:IV, 1.2 percentage points less than nationally (table 2). In 1978:IV, Massachusetts' total personal income was \$48.4 billion—up \$4.9 billion since 1977:IV. In most New England States, the increase in total personal income was fairly close to the national average.

Since the last national business cycle peak (1973:IV), Massachusetts' economic growth has been slow; the increase in nonfarm income was 15 percent less than nationally, ranking Massachusetts 44th among all States. All of the States that grew more slowly than Massachusetts were in the Northeast.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]



Consumer prices in Boston increased 7.5 percent from 1977:IV to 1978:IV versus a national increase of 8.9 percent (table 3). If Boston's index is used as an indicator for price movements in the State, real total personal income in Massachusetts increased 3.9 percent, about the same as in the Nation.

Wage and salary disbursements (payrolls) increased 12.3 percent in Massachusetts versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$31.1 billion, up \$3.4 billion since 1977:IV.

The State's lag was particularly pronounced in construction, where payrolls increased 10.0 percent, or about one-half of the national increase. Manufacturing payrolls in Massachusetts increased 12.3 percent, 1.0 percentage point less than in the Nation. The lag was in durable goods manufacturing payrolls, which accounted for 20 percent of all payrolls in the State in 1978:IV. Nondurable goods manufacturing payrolls increased 1.5 percentage points more in the State than in the Nation.

Payrolls were weak in transportation-communication-public utilities and in finance-insurance-real estate. In contrast, increases in the State in services and trade were stronger than corresponding increases in the Nation.

Both Federal and State and local government payrolls increased more in Massachusetts than in the Nation.

State unemployment insurance benefits declined 42.6 percent versus a decline of 30.3 percent in the Nation. Only nine States had larger declines.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

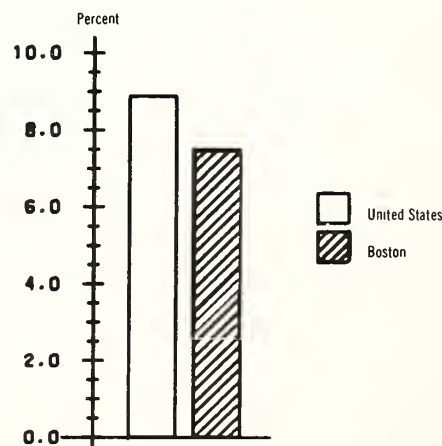


Chart 3.—Total Personal Income
[Seasonally adjusted]

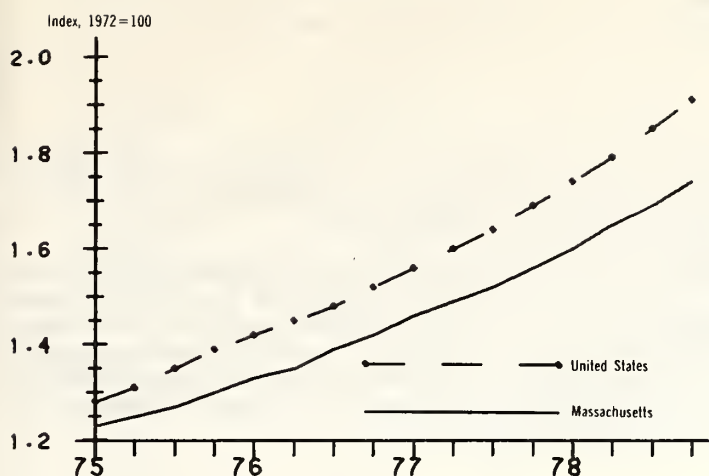


Chart 4.—Industrial Composition of Wages and Salaries: Massachusetts
[Seasonally adjusted]

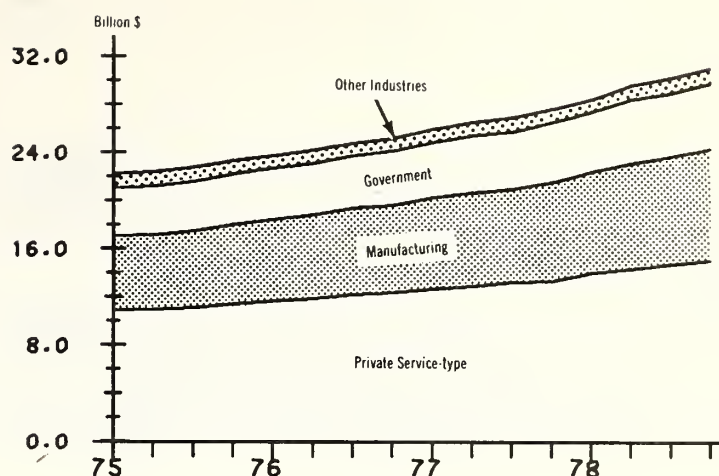


TABLE 2.—Personal Income, United States and Massachusetts Through Fourth Quarter, 1978

| | United States | | | Massachusetts | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 42,342 | 43,460 | 47,259 | 48,400 | 12.4 | 11.6 | 12.6 | 11.4 |
| Farm personal income | 31,224 | 39,451 | 75 | 80 | 88 | 96 | 47.9 | 17.7 | 26.3 | 20.1 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 42,267 | 43,380 | 47,172 | 48,304 | 11.9 | 11.6 | 12.3 | 11.4 |
| Total personal income | 1,583,508 | 1,782,519 | 42,342 | 43,460 | 47,259 | 48,400 | 12.4 | 11.6 | 12.6 | 11.4 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 26,953 | 27,698 | 30,335 | 31,104 | 12.1 | 12.5 | 12.6 | 12.3 |
| Other labor income | 96,016 | 111,719 | 2,516 | 2,641 | 2,956 | 3,025 | 17.0 | 17.5 | 16.4 | 14.5 |
| Proprietors' income | 105,953 | 125,995 | 1,984 | 2,008 | 2,160 | 2,230 | 21.5 | 8.9 | 18.9 | 11.1 |
| Farm | 23,636 | 31,044 | 21 | 25 | 31 | 37 | 66.6 | 43.0 | 31.3 | 46.0 |
| Nonfarm | 82,317 | 94,951 | 1,963 | 1,982 | 2,130 | 2,194 | 12.8 | 8.5 | 15.3 | 10.7 |
| Dividends, interest, and rent | 214,992 | 242,442 | 6,137 | 6,266 | 6,782 | 6,952 | 12.3 | 10.5 | 12.8 | 11.0 |
| Transfer payments | 215,944 | 233,750 | 6,472 | 6,594 | 6,990 | 7,076 | 8.8 | 8.0 | 8.2 | 7.3 |
| State unemployment insurance benefits | 11,128 | 7,753 | 360 | 363 | 235 | 208 | -24.0 | -34.6 | -30.3 | -42.6 |
| Less: personal contributions | 62,212 | 71,610 | 1,527 | 1,556 | 1,747 | 1,770 | 14.8 | 14.5 | 15.1 | 13.8 |
| Plus: residence adjustment | -401 | -473 | -192 | -191 | -216 | -218 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 26,953 | 27,698 | 30,335 | 31,104 | 12.1 | 12.5 | 12.6 | 12.3 |
| Farm | 7,176 | 7,939 | 49 | 51 | 52 | 55 | 8.5 | 7.5 | 10.6 | 8.1 |
| Nonfarm | 1,006,040 | 1,132,757 | 26,904 | 27,648 | 30,283 | 31,049 | 12.1 | 12.6 | 12.6 | 12.3 |
| Mining | 14,048 | 18,813 | 14 | 13 | 15 | 15 | 26.5 | 8.6 | 33.9 | 11.1 |
| Construction | 55,648 | 66,858 | 1,006 | 1,015 | 1,110 | 1,117 | 19.1 | 10.4 | 20.1 | 10.0 |
| Manufacturing | 276,112 | 312,970 | 7,753 | 8,224 | 9,034 | 9,233 | 12.1 | 16.5 | 13.3 | 12.3 |
| Durable goods | 176,216 | 203,053 | 5,078 | 5,493 | 6,034 | 6,188 | 13.7 | 18.8 | 15.2 | 12.6 |
| Nondurable goods | 99,896 | 109,917 | 2,675 | 2,731 | 3,000 | 3,045 | 9.4 | 12.2 | 10.0 | 11.5 |
| Private service-type | 455,764 | 515,348 | 13,280 | 13,392 | 14,763 | 15,160 | 12.8 | 11.2 | 13.1 | 13.2 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 1,699 | 1,795 | 1,871 | 1,902 | 10.4 | 10.2 | 11.3 | 5.9 |
| Wholesale and retail trade | 170,888 | 195,035 | 4,523 | 4,557 | 5,063 | 5,229 | 13.6 | 11.9 | 14.1 | 14.7 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 1,684 | 1,689 | 1,846 | 1,867 | 14.1 | 9.6 | 13.2 | 10.5 |
| Services | 153,840 | 173,396 | 5,375 | 5,350 | 5,983 | 6,163 | 12.6 | 11.3 | 12.7 | 15.2 |
| Government | 201,252 | 215,083 | 4,759 | 4,908 | 5,251 | 5,417 | 7.4 | 10.3 | 6.9 | 10.4 |
| Federal | 68,176 | 73,003 | 1,139 | 1,184 | 1,211 | 1,276 | 7.3 | 6.3 | 7.1 | 7.8 |
| State and local | 133,076 | 142,080 | 3,620 | 3,725 | 4,040 | 4,140 | 7.5 | 11.6 | 6.8 | 11.2 |
| Other | 3,216 | 3,685 | 93 | 95 | 109 | 108 | 18.7 | 17.5 | 14.6 | 13.7 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Massachusetts Through Fourth Quarter, 1978¹

| | United States | | | Massachusetts | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Boston | --- | --- | 185.0 | 185.3 | 194.2 | 199.2 | --- | 5.0 | --- | 7.5 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the **civilian labor force** in Massachusetts increased 1.4 percent, 1.7 percentage points less than in the Nation (table 4). Forty-one States had larger increases. **Total employment** in Massachusetts increased 2.9 percent, 1 percentage point less than in the Nation, to almost 2.7 million.

With the labor force increasing by about 38,000 and total employment increasing by about 74,000, **unemployment** declined by between 36,000 and 37,000, to 144,000. In 1978:IV, the **unemployment rate** in Massachusetts was 5.1 percent, compared with a national rate of 5.5 percent. The State's unemployment rate declined 1.4 percentage points

from year to year versus a decline in the Nation of 0.7 percentage point. Only eight States—four of them in New England—had larger declines in unemployment rates than Massachusetts'.

In December 1978, Massachusetts' preliminary unemployment rate was 5.7 percent, down only fractionally from the December 1977 rate. Unemployment rates in major metropolitan areas of the State ranged from 8.2 percent in New Bedford to 4.7 percent in Worcester. Rates for the Boston metropolitan area—which accounts for almost one-half of the total labor force in the State—were 5.1 percent in December 1978 and 5.4 percent in December 1977.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV:
Massachusetts

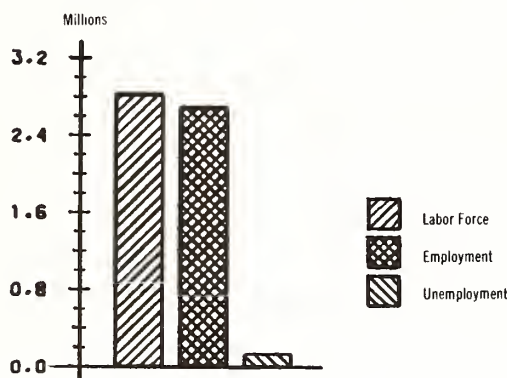


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

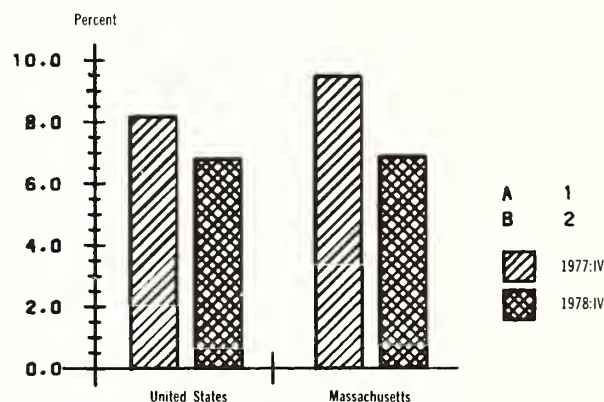


TABLE 4.—Labor Force, United States and Massachusetts Through Fourth Quarter, 1978

| | United States | | | Massachusetts | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 2,425 | 2,453 | 2,520 | 2,556 | 4.3 | 3.9 | 4.2 | 4.2 |
| Mining and services..... | 16,326 | 17,114 | 540 | 546 | 574 | 580 | --- | 6.3 | --- | 6.2 |
| Construction | 4,032 | 4,488 | 80 | 75 | 84 | 80 | 10.4 | 4.9 | 11.3 | 6.7 |
| Manufacturing | 19,986 | 20,722 | 620 | 634 | 647 | 660 | 3.1 | 4.4 | 3.7 | 4.1 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 113 | 115 | 115 | 117 | 3.8 | 1.6 | 4.4 | 1.5 |
| Wholesale and retail trade | 19,152 | 20,015 | 543 | 551 | 565 | 580 | 5.3 | 3.9 | 4.5 | 5.3 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 140 | 139 | 145 | 143 | 4.8 | 3.1 | -2.0 | 3.2 |
| Government | 15,434 | 15,656 | 387 | 393 | 390 | 396 | 2.1 | .6 | 1.4 | .9 |
| Civilian labor force ³ | 98,591 | 101,615 | 2,825 | 2,795 | 2,884 | 2,833 | 3.2 | 2.1 | 3.1 | 1.4 |
| Total employed | 92,442 | 96,010 | 2,581 | 2,614 | 2,703 | 2,688 | 4.1 | 4.7 | 3.9 | 2.9 |
| Total unemployed | 6,149 | 5,605 | 244 | 181 | 181 | 144 | -9.8 | -25.8 | -8.8 | -20.4 |
| Percent unemployed | 6.2 | 5.5 | 8.6 | 6.5 | 6.3 | 5.1 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

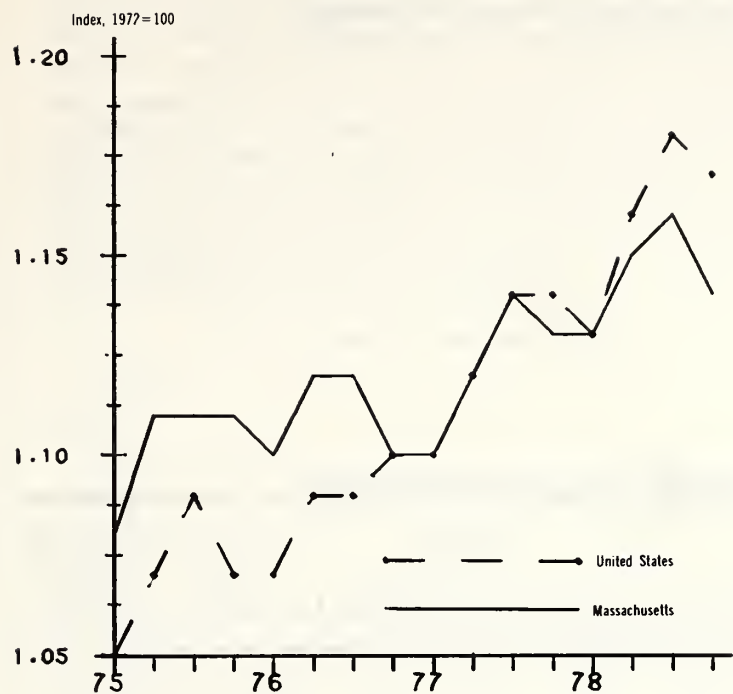


Chart 8.—Civilian Employment

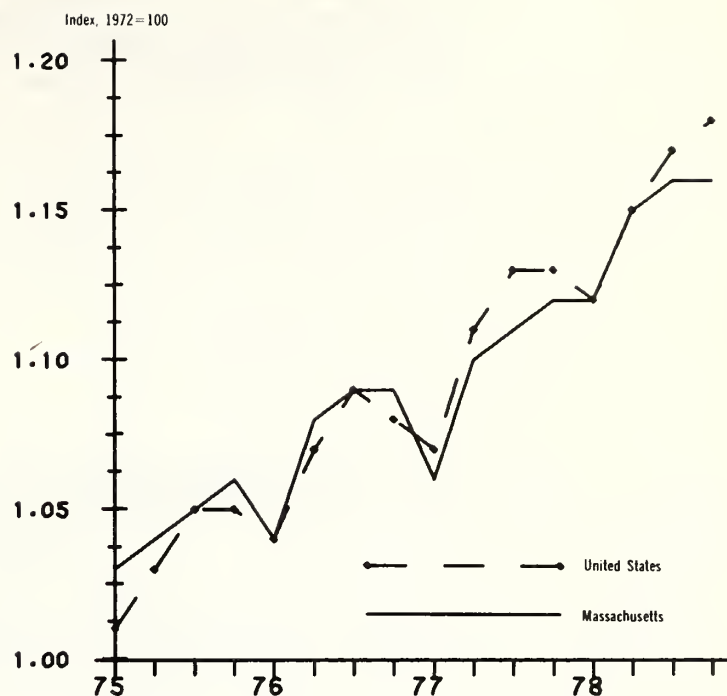


Chart 9.—Unemployment Rate

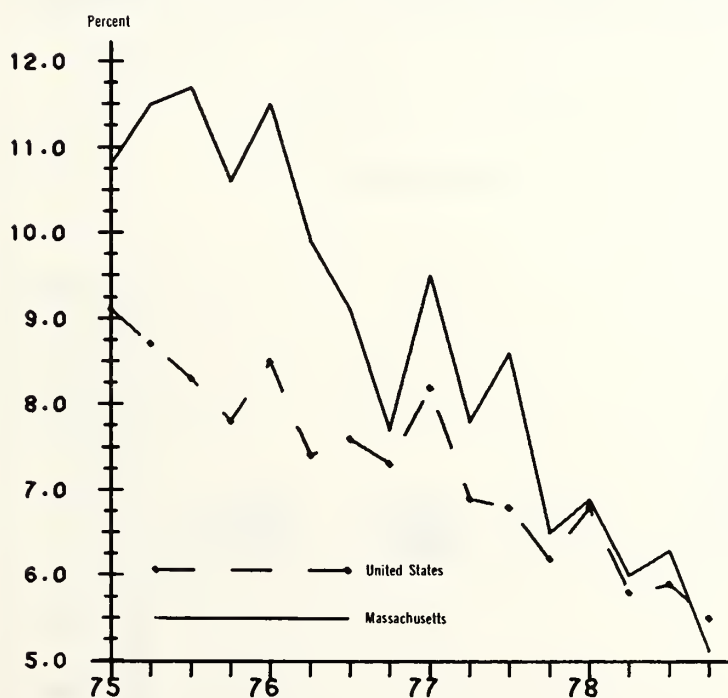
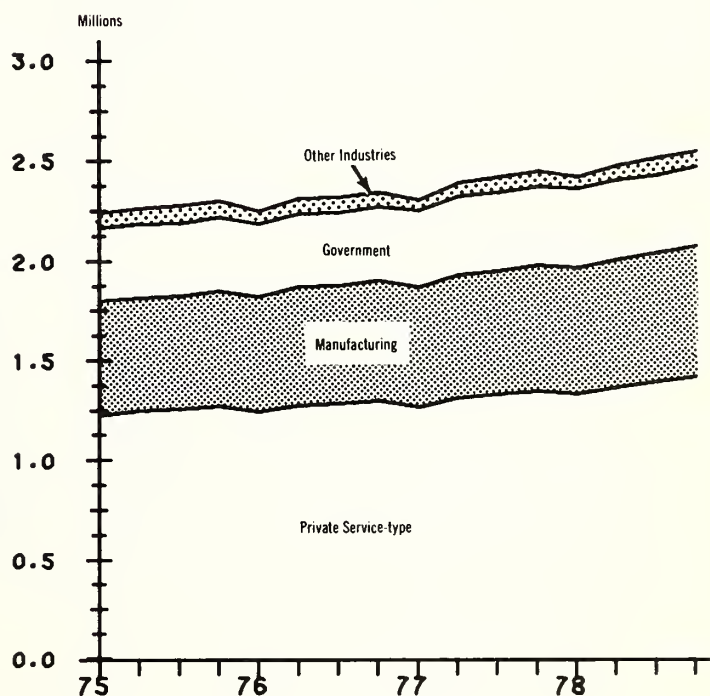


Chart 10.—Industrial Composition of Nonagricultural Employment: Massachusetts



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Massachusetts Through Fourth Quarter, 1978

| | United States | | | Massachusetts | | | U.S. | State | U.S. | State |
|------------------------------------|---|-------------|---------------|---------------|---------------|-------------|-----------------------------|----------------------|---------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:IV— 1978:IV | 1977:IV— 1978:IV |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 10,043 | 10,251 | 11,226 | n.a. | 16.3 | 11.8 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 4,563 | 4,615 | 4,931 | n.a. | 14.2 | 8.1 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 2,193 | 2,254 | 2,463 | n.a. | 20.2 | 12.3 | --- | --- |
| Real estate | 177,935 | n.a. | 2,316 | 2,374 | 2,777 | n.a. | 19.9 | 19.9 | --- | --- |
| Residential | 101,236 | n.a. | 1,135 | 1,190 | 1,457 | n.a. | 21.3 | 28.4 | --- | --- |
| Farms | 7,731 | n.a. | 2 | 2 | 3 | n.a. | 10.7 | 20.0 | --- | --- |
| Other | 68,968 | n.a. | 1,180 | 1,181 | 1,318 | n.a. | 19.0 | 11.7 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 10 | 10 | 28 | n.a. | 6.8 | 188.8 | --- | --- |
| Other | 69,947 | n.a. | 962 | 997 | 1,027 | n.a. | 8.0 | 6.7 | --- | --- |
| Total deposits | 925,511 | n.a. | 15,331 | 16,334 | 16,652 | n.a. | 11.5 | 8.6 | --- | --- |
| Demand | 377,683 | n.a. | 7,158 | 8,044 | 7,735 | n.a. | 10.2 | 8.1 | --- | --- |
| Time and savings | 547,828 | n.a. | 8,173 | 8,290 | 8,917 | n.a. | 12.3 | 9.1 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 22.1 percent in the State and 16.8 percent in the Nation (table 6). In 1978:IV, contracts in the State totaled \$884 million, for a gain over the year of \$160 million. Well over one-half of Massachusetts' gain in the total valuation of contracts was traceable to two unusually large contracts in 1978:IV in Middlesex County—a \$44 million hospital and a \$47 million railroad tunnel. If these contracts are excluded, the total valuation of contracts in the State would have increased 9.5 percent.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Massachusetts, the real valuation of construction contracts (including the Middlesex County contracts) increased about 9 percent versus about 4 percent nationally.

Partly reflecting the hospital contract, the valuation of nonresidential contracts increased 69.6 percent (\$111 million) versus a 15.8-percent gain nationally. Only four States had larger gains.

The valuation of nonbuilding contracts increased only 2.2 percent in Massachusetts versus an increase of 22.2 percent nationally. Excluding the railroad tunnel contract, the valuation of nonbuilding contracts would have declined nearly 13 percent. Street and highway contracts declined 65.3 percent in valuation versus a decline of 16.3 percent in the Nation.

Contracts for additions and alterations to residential housekeeping units increased only 0.8 percent in valuation in the State, in sharp contrast to a gain of 14.6 percent in the Nation. Thirty-nine States registered larger increases. The number of dwelling units started was down 1.0 percent. Nationally, the number of dwelling units started was almost unchanged at a high level. In 1978:IV, 5,541 dwelling units were started in the State, for a decline over the year of 57 units. The valuation of residential housekeeping contracts increased 20.4 percent in the State versus 15.6 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

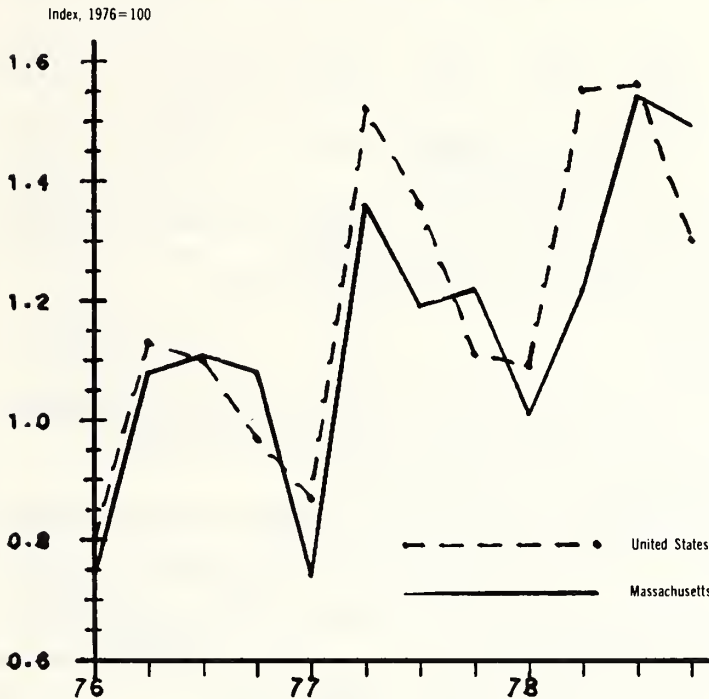


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Massachusetts

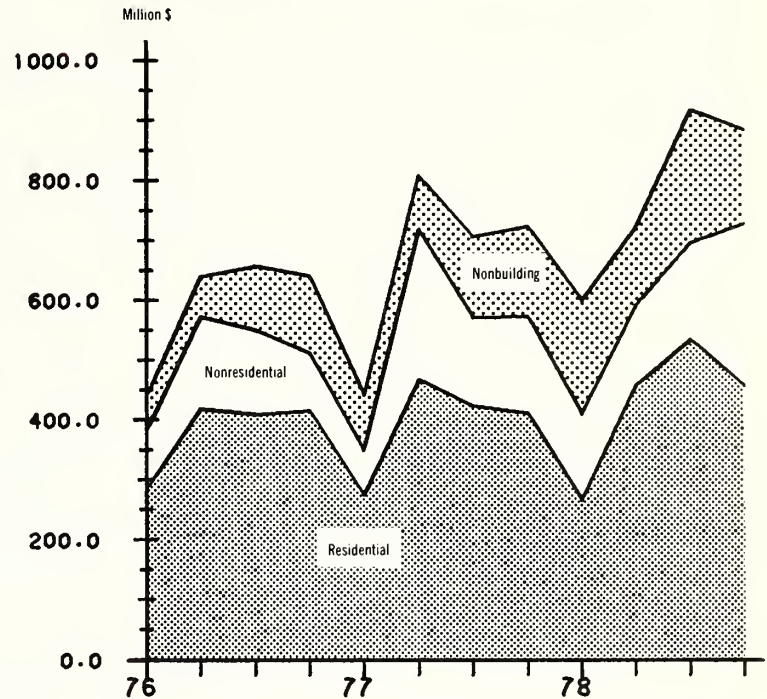


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

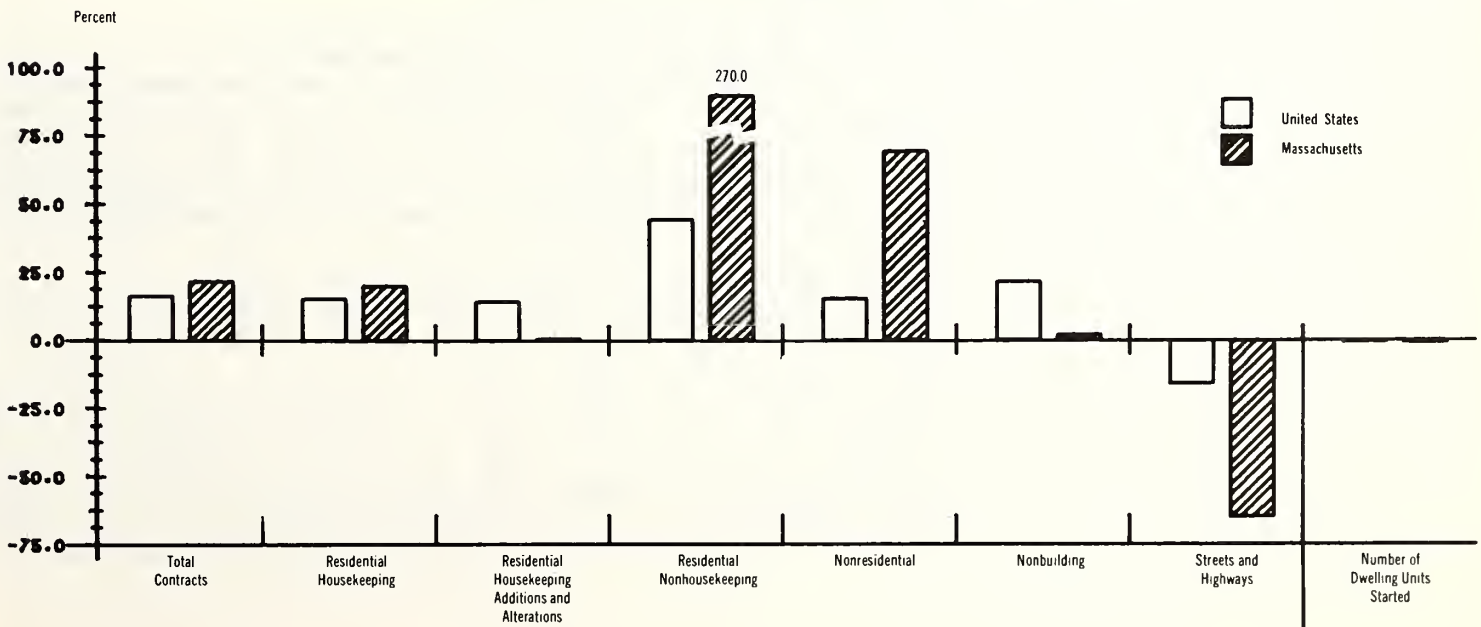


TABLE 6.—Construction Contracts, United States and Massachusetts Through Fourth Quarter, 1978¹

| | United States | | | Massachusetts | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|----------------|----------------|----------------|----------------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 706,577 | 723,512 | 917,119 | 883,726 | 14.5 | 29.8 | 16.8 | 22.1 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 237,020 | 214,998 | 281,576 | 216,733 | 16.8 | 18.8 | 14.6 | 8 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,207 | 1,230 | 1,404 | 1,034 | 4.4 | 16.3 | -9.3 | -15.9 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 469,557 | 508,514 | 635,543 | 666,993 | 14.0 | 35.3 | 17.4 | 31.2 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 10,749 | 11,947 | 12,479 | 14,368 | 10.8 | 16.1 | 10.2 | 20.3 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 121 | 156 | 128 | 127 | -5.1 | 5.8 | -4.3 | -18.6 |
| Number of dwelling units | 445,772 | 443,075 | 5,000 | 5,598 | 6,387 | 5,541 | 1.0 | 27.7 | -6 | -1.0 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 180,465 | 195,016 | 244,887 | 234,888 | 15.3 | 35.7 | 15.6 | 20.4 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 6,092 | 6,630 | 7,874 | 7,050 | 10.3 | 29.3 | 10.7 | 6.3 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 15 | 8 | 13 | 12 | -10.0 | -13.3 | -4 | 50.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 5,010 | 1,294 | 9,666 | 4,788 | 9.4 | 92.9 | 44.8 | 270.0 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 122 | 32 | 242 | 42 | -7 | 98.8 | 24.7 | 29.1 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 589 | 614 | 568 | 543 | -2.5 | -3.6 | -12.0 | -11.6 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 148,818 | 160,616 | 161,126 | 272,451 | 27.6 | 8.3 | 15.8 | 69.6 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 4,536 | 5,285 | 4,363 | 7,276 | 12.2 | -3.8 | 8.9 | 37.7 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 482 | 452 | 695 | 352 | 22.4 | 44.2 | -9.1 | -22.1 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 135,264 | 151,588 | 219,864 | 154,866 | -1 | 62.5 | 22.2 | 2.2 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 134 | 145 | 151 | 71 | 9.3 | 12.7 | -17.8 | -51.0 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 37,960 | 60,698 | 58,543 | 21,036 | 3.0 | 54.2 | -16.3 | -65.3 |

1. Contracts started or expected to start within 60 days.
 2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
 NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Massachusetts totaled \$5.8 billion in 1978:IV, up 13.2 percent (\$677 million) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for \$4.1 billion, and durable goods accounted for \$1.7 billion.

TABLE 7.—Retail Sales, United States and Massachusetts Through Fourth Quarter, 1978

| | United States | | | Massachusetts | | | U.S. | State | U.S. | State |
|---------------------|--|----------------|--------------|---------------|--------------|--------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | 4,515 | 5,136 | 5,084 | 5,813 | 10.3 | 12.6 | 11.2 | 13.2 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 1,560 | 1,747 | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | 3,524 | 4,066 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Massachusetts Through Fourth Quarter, 1978

| | United States | | | Massachusetts | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------|--------------|---------------|--------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 2,289 | 2,504 | 2,414 | n.a. | 8.2 | 5.5 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 81 | 61 | 53 | n.a. | -9.5 | -34.6 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 16,749 | 13,105 | 11,782 | n.a. | -44.2 | -29.7 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 207 | 215 | 222 | n.a. | -38.4 | 7.2 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 8 | 11 | 6 | n.a. | -10.1 | -25.0 | --- | --- |
| Construction | 319 | n.a. | 13 | 6 | 11 | n.a. | 1.0 | -15.4 | --- | --- |
| Wholesale trade | 191 | n.a. | 14 | 5 | 8 | n.a. | -27.1 | -42.9 | --- | --- |
| Retail trade | 688 | n.a. | 33 | 35 | 20 | n.a. | -4.2 | -39.4 | --- | --- |
| Commercial services | 238 | n.a. | 13 | 4 | 8 | n.a. | -24.0 | -38.5 | --- | --- |

n.a.: Data not available.
 Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|---|
| Personal income | —Up 13.6%, 1.0 percentage point more than in U.S. —Strong increases in manufacturing and construction |
| Consumer prices | —Up 9.5% in Detroit vs. 8.9% in U.S. |
| Employment | —Up 2.4% vs. 3.9% in U.S., to 4.0 million |
| Unemployment | —Down between 29,000 and 30,000, to 265,000 —Rate down to 6.3% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 9.7% vs. 16.8% in U.S., to \$1.7 billion —Large gain in valuation of nonbuilding contracts —Number of dwelling-unit starts up 14.3% vs. little change in U.S., to 17,352 |
| Retail sales | —Up 14.6% vs. 11.2% in U.S., to \$10.0 billion |

TABLE 1.—Summary of Economic Indicators, United States and Michigan Through Fourth Quarter, 1978

| | United States | | | Michigan | | | U.S. | State | U.S. | State |
|--|--|------------|-----------|-----------|-----------|-----------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 70,660 | 71,635 | 77,618 | 81,397 | 12.4 | 9.8 | 12.6 | 13.6 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 47,461 | 47,917 | 52,033 | 54,969 | 12.1 | 9.6 | 12.6 | 14.7 |
| Civilian employment (thousands)..... | 92,442 | 96,010 | 3,791 | 3,870 | 3,907 | 3,962 | 4.1 | 3.0 | 3.9 | 2.4 |
| Unemployment (thousands) | 6,149 | 5,605 | 353 | 295 | 296 | 265 | -9.8 | -16.1 | -8.8 | -10.0 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 8.5 | 7.1 | 7.0 | 6.3 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 22,806 | 23,597 | 26,021 | n.a. | 16.3 | 14.1 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 34,600 | 36,094 | 38,109 | n.a. | 11.5 | 10.1 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 1,594,567 | 1,546,921 | 2,368,540 | 1,697,641 | 14.5 | 48.5 | 16.8 | 9.7 |
| Dwelling units started (number) | 445,772 | 443,075 | 18,317 | 15,185 | 17,335 | 17,352 | 1.0 | -5.4 | -6 | 14.3 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 7,457 | 8,747 | 8,923 | 10,028 | 10.3 | 19.7 | 11.2 | 14.6 |
| New business incorporations (number)..... | 109,411 | n.a. | 3,466 | 3,469 | 3,649 | n.a. | 8.2 | 5.3 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 112 | 95 | 37 | n.a. | -9.5 | -67.0 | --- | --- |
| Consumer Price Index (1967 = 100): | | | | | | | | | | |
| U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Detroit | --- | --- | 182.6 | 184.0 | 196.4 | 201.4 | --- | 7.6 | --- | 9.5 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

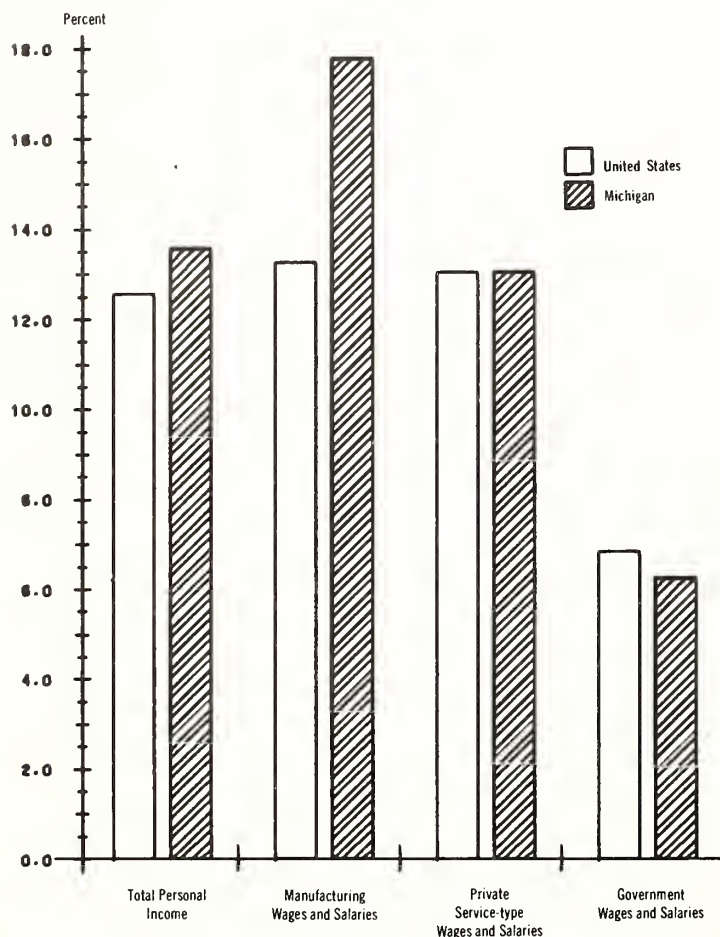
Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.6 percent from 1977:IV to 1978:IV, 1.0 percentage point more than in the Nation (table 2). In 1978:IV, the State's personal income totaled \$81.4 billion, for a year-to-year increase of \$9.8 billion.

Since the last national business cycle peak (1973:IV), Michigan's economy has increased somewhat slowly; the increase in nonfarm income was 4 percent less than nationally, ranking Michigan 37th among all States.

Consumer prices from 1977:IV to 1978:IV increased 9.5 percent in the Detroit metropolitan area, an increase that was well above the national increase of 8.9 percent (table 3). If Detroit's index is used as an indicator for price movements in the State, real total personal income in Michigan increased 4.1 percent from year to year versus 3.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 14.7 percent in Michigan versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$55.0 billion, up \$7.1 billion since 1977:IV. Among all States, Michigan's increase ranked 12th.

Manufacturing payrolls increased 17.8 percent in the State versus 13.3 percent in the Nation. Strength extended to both durable and nondurable goods. Durable goods manufacturing payrolls increased 18.0 percent, 2.8 percentage points more than in the Nation. The increase, which reflected the rebound in automobile production, was particularly important inasmuch as durables payrolls accounted for 37.6 percent of all payrolls in Michigan in 1978:IV, compared with a national weight of 17.8 percent. Among all States, Michigan's increase in durable goods payrolls ranked 14th.

Private service-type payrolls increased 13.1 percent in both the State and Nation. The increase in transportation-communication-public utilities payrolls was 15.1 percent versus 11.3 percent in the Nation. The increases in all other components of the private service-type group were somewhat below increases in corresponding industries nationally. Construction payrolls increased 25.3 percent in the State versus 20.1 percent in the Nation.

In contrast, the increase in total government payrolls was smaller in Michigan than in the Nation; the increases in both Federal Government and State and local government payrolls were less in the State than nationally.

With the State and national economies continuing to expand, State unemployment insurance benefits declined 32.3 percent in Michigan and 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

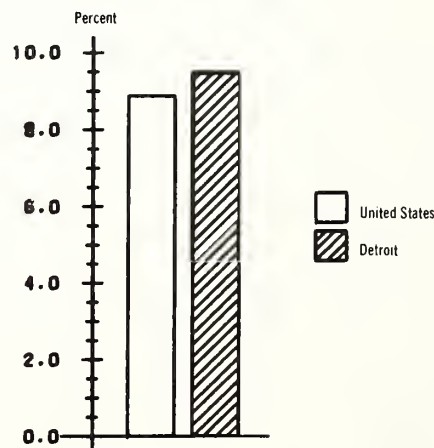


Chart 3.—Total Personal Income

[Seasonally adjusted]

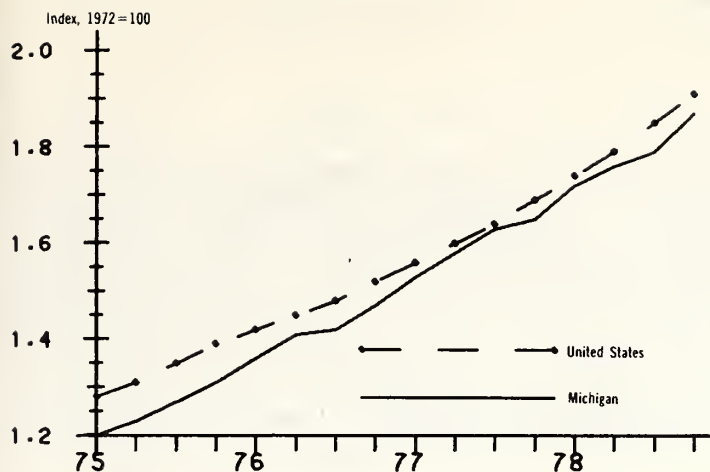


Chart 4.—Industrial Composition of Wages and Salaries: Michigan

[Seasonally adjusted]

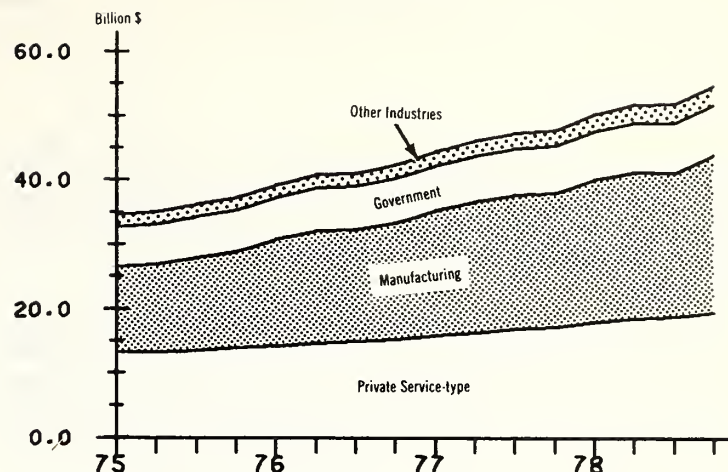


TABLE 2.—Personal Income, United States and Michigan Through Fourth Quarter, 1978

| | United States | | | Michigan | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 70,660 | 71,635 | 77,618 | 81,397 | 12.4 | 9.8 | 12.6 | 13.6 |
| Farm personal income | 31,224 | 39,451 | 496 | 638 | 627 | 729 | 47.9 | 26.3 | 26.3 | 14.4 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 70,163 | 70,997 | 76,992 | 80,668 | 11.9 | 9.7 | 12.3 | 13.6 |
| Total personal income | 1,583,508 | 1,782,519 | 70,660 | 71,635 | 77,618 | 81,397 | 12.4 | 9.8 | 12.6 | 13.6 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 47,461 | 47,917 | 52,033 | 54,969 | 12.1 | 9.6 | 12.6 | 14.7 |
| Other labor income | 96,016 | 111,719 | 6,043 | 6,170 | 6,835 | 7,360 | 17.0 | 13.1 | 16.4 | 19.3 |
| Proprietors' income | 105,953 | 125,995 | 3,115 | 3,293 | 3,529 | 3,718 | 21.5 | 13.3 | 18.9 | 12.9 |
| Farm | 23,636 | 31,044 | 381 | 524 | 510 | 608 | 66.6 | 33.7 | 31.3 | 16.0 |
| Nonfarm | 82,317 | 94,951 | 2,734 | 2,769 | 3,019 | 3,110 | 12.8 | 10.4 | 15.3 | 12.3 |
| Dividends, interest, and rent | 214,992 | 242,442 | 7,889 | 8,053 | 8,719 | 8,939 | 12.3 | 10.5 | 12.8 | 11.0 |
| Transfer payments | 215,944 | 233,750 | 8,551 | 8,602 | 9,183 | 9,248 | 8.8 | 7.4 | 8.2 | 7.5 |
| State unemployment insurance benefits | 11,128 | 7,753 | 676 | 591 | 485 | 400 | -24.0 | -28.2 | -30.3 | -32.3 |
| Less: personal contributions | 62,212 | 71,610 | 2,731 | 2,738 | 3,050 | 3,213 | 14.8 | 11.7 | 15.1 | 17.3 |
| Plus: residence adjustment | -401 | -473 | 332 | 338 | 369 | 375 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 47,461 | 47,917 | 52,033 | 54,969 | 12.1 | 9.6 | 12.6 | 14.7 |
| Farm | 7,176 | 7,939 | 105 | 103 | 106 | 110 | 8.5 | 1.6 | 10.6 | 6.7 |
| Nonfarm | 1,006,040 | 1,132,757 | 47,356 | 47,814 | 51,927 | 54,858 | 12.1 | 9.7 | 12.6 | 14.7 |
| Mining | 14,048 | 18,813 | 198 | 186 | 264 | 265 | 26.5 | 33.6 | 33.9 | 42.9 |
| Construction | 55,648 | 66,858 | 2,059 | 2,096 | 2,592 | 2,625 | 19.1 | 25.9 | 20.1 | 25.3 |
| Manufacturing | 276,112 | 312,970 | 20,714 | 20,877 | 22,258 | 24,592 | 12.1 | 7.5 | 13.3 | 17.8 |
| Durable goods | 176,216 | 203,053 | 17,428 | 17,506 | 18,695 | 20,659 | 13.7 | 7.3 | 15.2 | 18.0 |
| Nondurable goods | 99,896 | 109,917 | 3,285 | 3,371 | 3,563 | 3,932 | 9.4 | 8.5 | 10.0 | 16.7 |
| Private service-type | 455,764 | 515,348 | 17,015 | 17,196 | 18,931 | 19,444 | 12.8 | 11.3 | 13.1 | 13.1 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 2,585 | 2,570 | 2,883 | 2,959 | 10.4 | 11.5 | 11.3 | 15.1 |
| Wholesale and retail trade | 170,888 | 195,035 | 6,681 | 6,781 | 7,501 | 7,690 | 13.6 | 12.3 | 14.1 | 13.4 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 1,682 | 1,681 | 1,862 | 1,894 | 14.1 | 10.7 | 13.2 | 12.7 |
| Services | 153,840 | 173,396 | 6,068 | 6,164 | 6,684 | 6,901 | 12.6 | 10.2 | 12.7 | 12.0 |
| Government | 201,252 | 215,083 | 7,299 | 7,385 | 7,797 | 7,847 | 7.4 | 6.8 | 6.9 | 6.3 |
| Federal | 68,176 | 73,003 | 1,062 | 1,094 | 1,130 | 1,159 | 7.3 | 6.5 | 7.1 | 5.9 |
| State and local | 133,076 | 142,080 | 6,237 | 6,291 | 6,666 | 6,688 | 7.5 | 6.9 | 6.8 | 6.3 |
| Other | 3,216 | 3,685 | 72 | 75 | 86 | 85 | 18.7 | 18.4 | 14.6 | 14.0 |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Michigan Through Fourth Quarter, 1978¹

| | United States | | | Michigan | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|----------|----------|---------|------------------------|-------|----------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III – 1978:III | | 1977:IV – 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Detroit | --- | --- | 182.6 | 184.0 | 196.4 | 201.4 | --- | 7.6 | --- | 9.5 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the **civilian labor force** increased 1.5 percent, only about one-half of the Nation's rate of gain (table 4). **Total employment** increased 2.4 percent, 1.5 percentage points less than in the Nation, to 4.0 million. Michigan's increases were among the smallest in the Nation.

With the labor force increasing by about 63,000 and total employment increasing by about 92,000, **unemployment** declined by between 29,000 and 30,000, to 265,000. In 1978:IV, the **unemployment rate** in Michigan was 6.3 percent versus 5.5 percent in the Nation. Only nine States—none of them in the Great Lakes region—had higher unemployment rates. From 1977:IV to 1978:IV, the unemployment rate declined 0.8 percentage point in the State, about the same as nationally.

In December 1978, the preliminary unemployment rate in Michigan was 6.7 percent, down 0.3 percentage point since December 1977. December 1978 rates in major metropolitan areas of the State ranged from 4.8 percent in Grand Rapids to 8.1 percent in Muskegon-North Shores-Muskegon Heights. In Detroit, which accounts for almost one-half of Michigan's civilian labor force, the preliminary unemployment rate in December 1978 was 6.3 percent. From December 1977 to December 1978, Ann Arbor was the only major metropolitan area in the State to register an increase in the unemployment rate—1.9 percentage points—to 7.0 percent. Rates in the remaining 10 major metropolitan areas in the State declined by as much as 1.4 percentage points, as in Bay City, where the December 1978 unemployment rate was 5.5 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Michigan

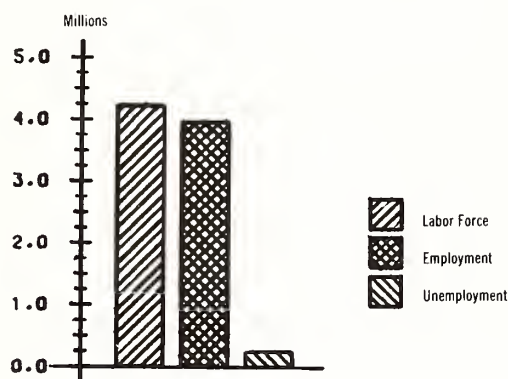


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

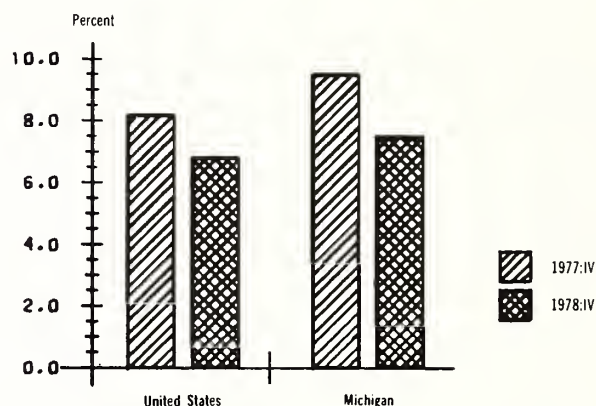


TABLE 4.—Labor Force, United States and Michigan Through Fourth Quarter, 1978

| | United States | | | Michigan | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------|----------|---------|-----------------------|-----------------------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | | Percent change ² | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 3,415 | 3,510 | 3,526 | 3,618 | 4.3 | 3.2 | 4.2 | 3.1 |
| Mining | 787 | 899 | 11 | 11 | 14 | 13 | 8.2 | 21.1 | 14.2 | 17.5 |
| Construction | 4,032 | 4,488 | 141 | 137 | 164 | 157 | 10.4 | 16.8 | 11.3 | 14.9 |
| Manufacturing | 19,986 | 20,722 | 1,097 | 1,139 | 1,119 | 1,172 | 3.1 | 2.0 | 3.7 | 2.9 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 149 | 149 | 152 | 153 | 3.8 | 2.3 | 4.4 | 2.7 |
| Wholesale and retail trade | 19,152 | 20,015 | 703 | 720 | 716 | 726 | 5.3 | 1.9 | 4.5 | .8 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 141 | 141 | 147 | 146 | 4.8 | 3.7 | -2.0 | 3.6 |
| Services | 15,539 | 16,215 | 578 | 581 | 604 | 613 | 4.6 | 4.5 | 4.4 | 5.5 |
| Government | 15,434 | 15,656 | 595 | 632 | 610 | 638 | 2.1 | 2.6 | 1.4 | .9 |
| Civilian labor force ³ | 98,591 | 101,615 | 4,144 | 4,165 | 4,202 | 4,228 | 3.2 | 1.4 | 3.1 | 1.5 |
| Total employed | 92,442 | 96,010 | 3,791 | 3,870 | 3,907 | 3,962 | 4.1 | 3.0 | 3.9 | 2.4 |
| Total unemployed | 6,149 | 5,605 | 353 | 295 | 296 | 265 | -9.8 | -16.1 | -8.8 | -10.0 |
| Percent unemployed | 6.2 | 5.5 | 8.5 | 7.1 | 7.0 | 6.3 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

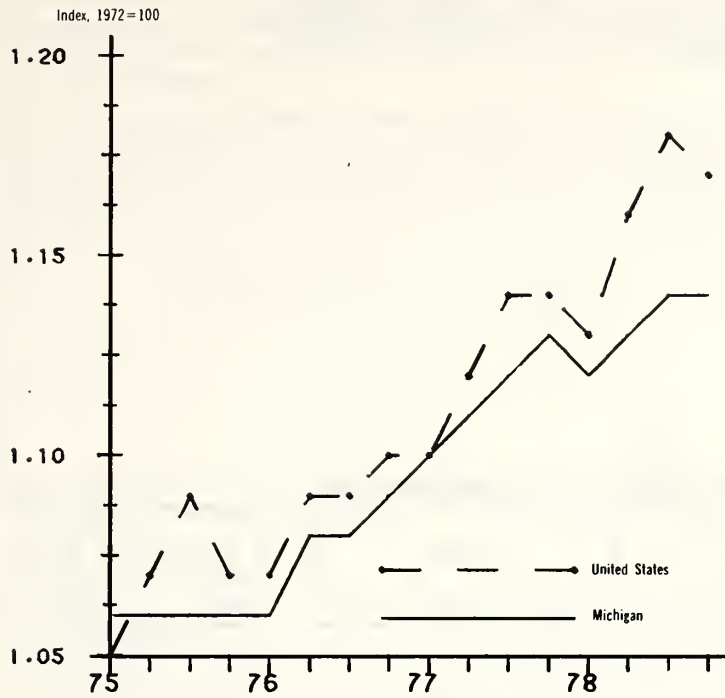


Chart 8.—Civilian Employment

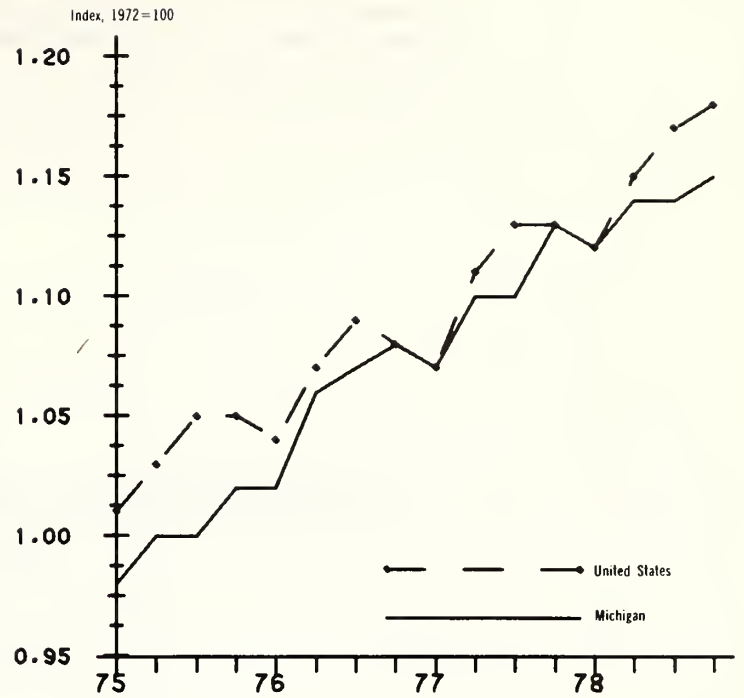


Chart 9.—Unemployment Rate

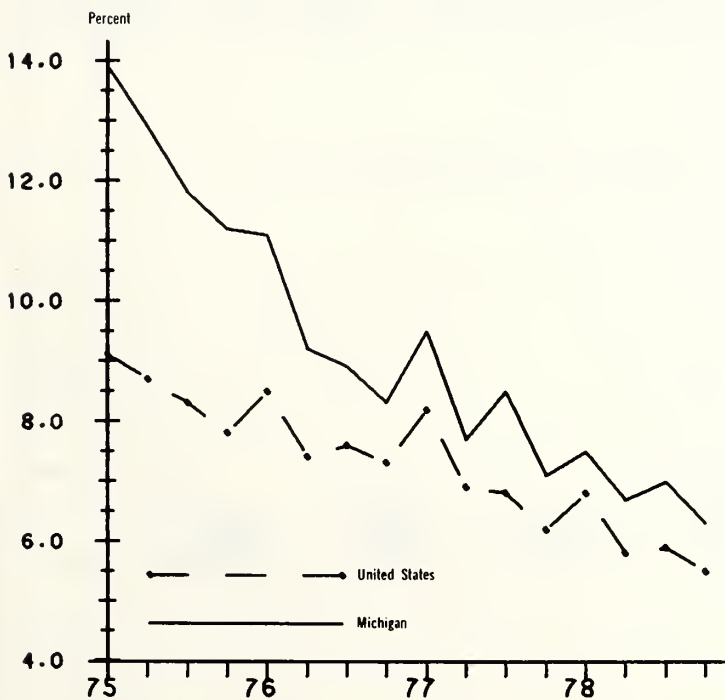
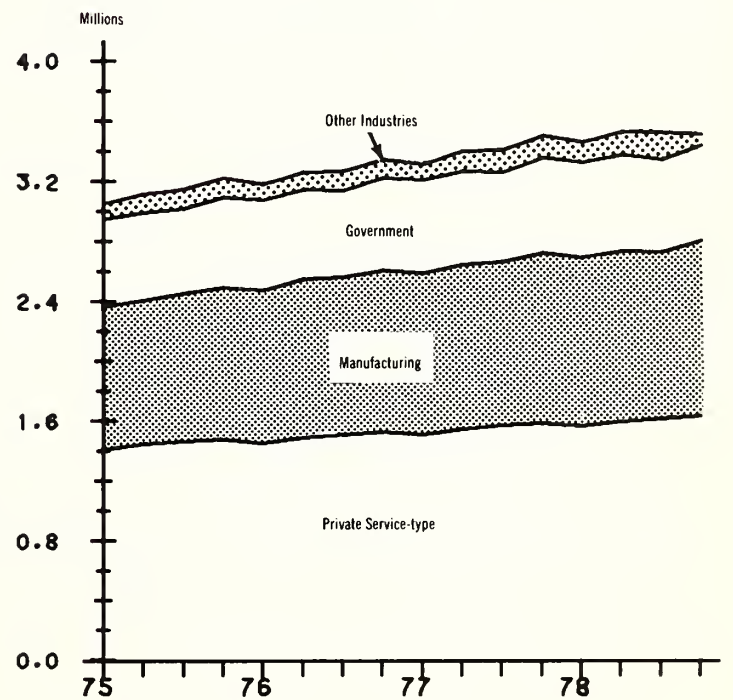


Chart 10.—Industrial Composition of Nonagricultural Employment: Michigan



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Michigan Through Fourth Quarter, 1978

| | United States | | | Michigan | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 22,806 | 23,597 | 26,021 | n.a. | 16.3 | 14.1 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 5,541 | 5,664 | 6,128 | n.a. | 14.2 | 10.6 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 5,247 | 5,438 | 6,244 | n.a. | 20.2 | 19.0 | --- | --- |
| Real estate | 177,935 | n.a. | 9,689 | 9,971 | 11,049 | n.a. | 19.9 | 14.0 | --- | --- |
| Residential | 101,236 | n.a. | 6,921 | 7,152 | 7,917 | n.a. | 21.3 | 14.4 | --- | --- |
| Farms | 7,731 | n.a. | 187 | 198 | 219 | n.a. | 10.7 | 17.0 | --- | --- |
| Other | 68,968 | n.a. | 2,581 | 2,621 | 2,913 | n.a. | 19.0 | 12.9 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 398 | 378 | 411 | n.a. | 6.8 | 3.3 | --- | --- |
| Other | 69,947 | n.a. | 1,931 | 2,147 | 2,189 | n.a. | 8.0 | 13.4 | --- | --- |
| Total deposits | 925,511 | n.a. | 34,600 | 36,094 | 38,109 | n.a. | 11.5 | 10.1 | --- | --- |
| Demand | 377,683 | n.a. | 10,143 | 11,109 | 11,177 | n.a. | 10.2 | 10.2 | --- | --- |
| Time and savings | 547,828 | n.a. | 24,456 | 24,984 | 26,931 | n.a. | 12.3 | 10.1 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 9.7 percent in the State versus 16.8 percent in the Nation (table 6). In 1978:IV, contracts in the State totaled \$1.7 billion, for a gain over the year of \$151 million.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Michigan, the real valuation of construction contracts declined about 3 percent versus a national gain of about 4 percent.

The valuation of nonresidential contracts declined 7.1 percent in the State, in sharp contrast with a gain of 15.8 percent in the Nation.

Contracts for residential housekeeping additions and alterations increased 8.2 percent in valuation, 6.4 percentage points less than

nationally. The valuation of residential housekeeping contracts increased 14.5 percent in the State, 1.1 percentage points less than nationally. The number of dwelling units started increased 14.3 percent; only nine States registered larger gains. In 1978:IV, 17,352 dwelling units were started in Michigan, for a gain over the year of 2,167 units. Nationally, the number of dwelling units started was almost unchanged at a high level.

The valuation of nonbuilding contracts increased 46.1 percent in Michigan versus 22.2 percent in the Nation. Only 12 States had larger gains. These large gains were registered despite declines in the valuation of street and highway contracts of 36.7 percent in the State and 16.3 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

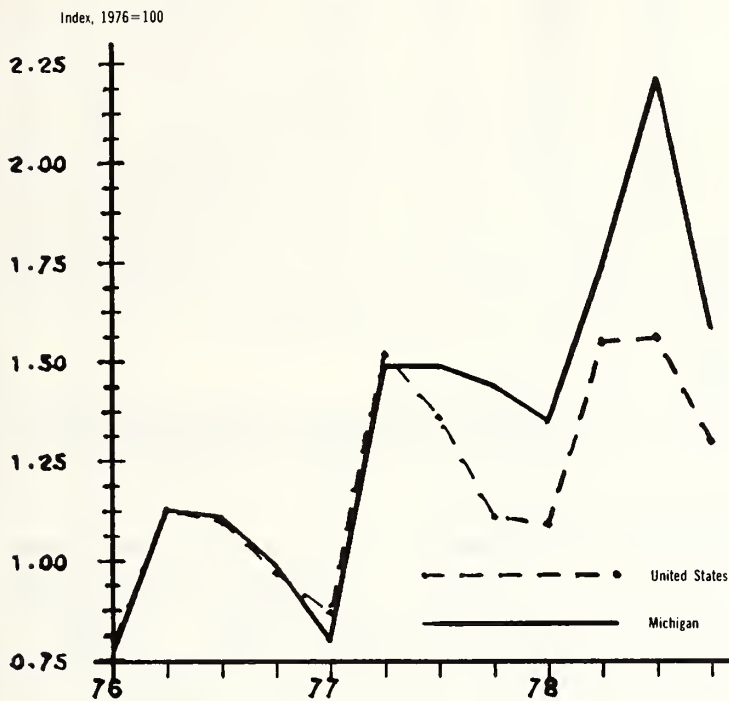


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Michigan

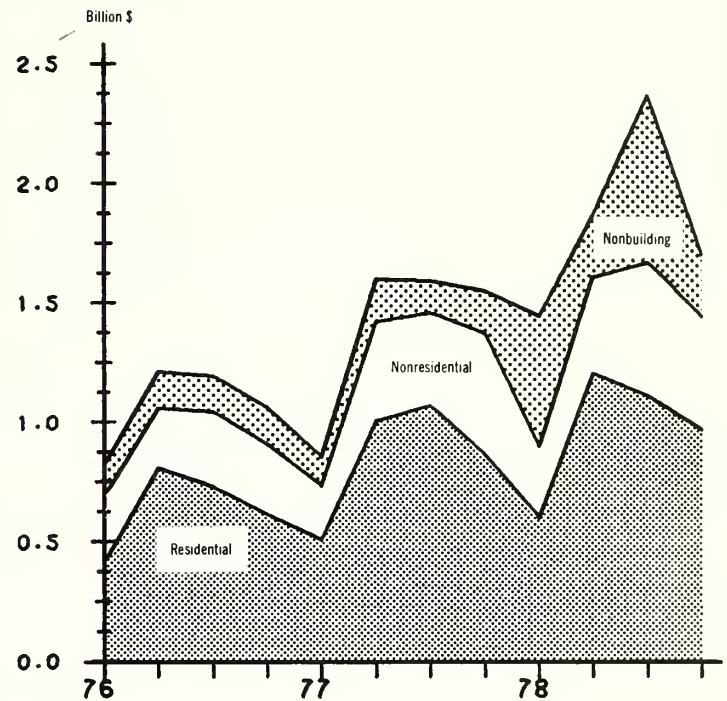


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

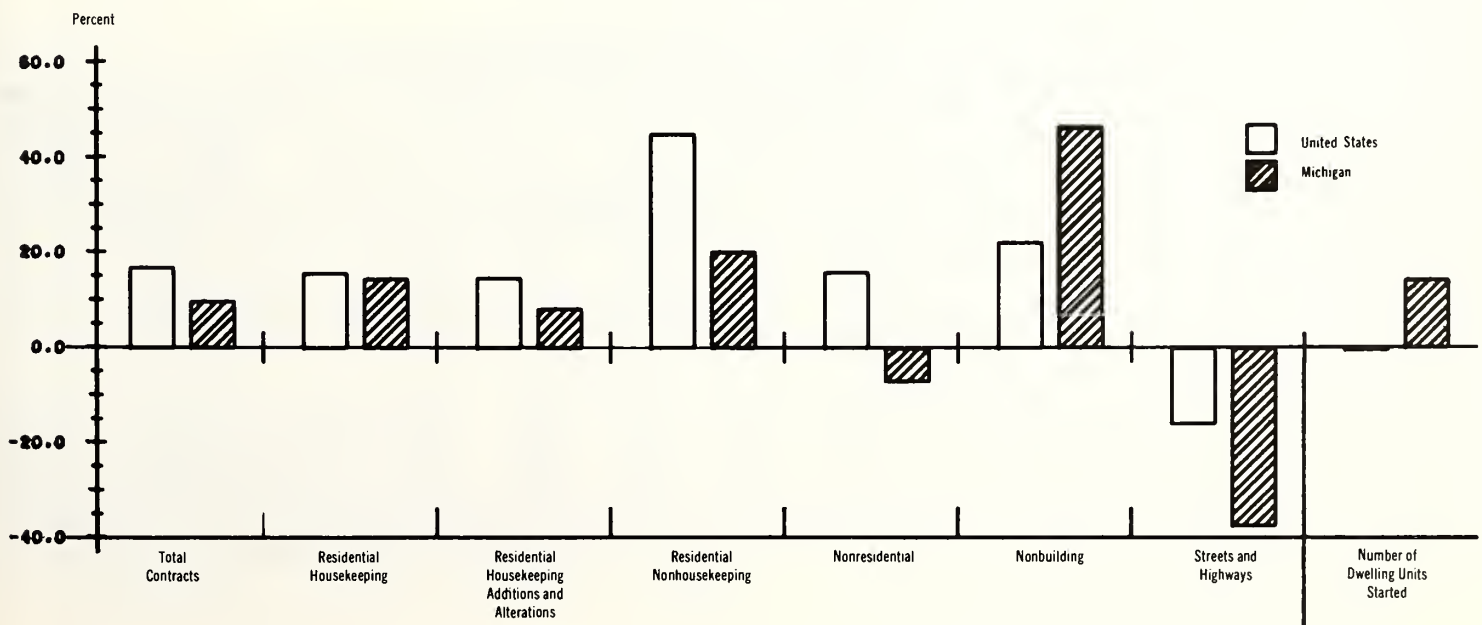


TABLE 6.—Construction Contracts, United States and Michigan Through Fourth Quarter, 1978¹

| | United States | | | Michigan | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|-----------|-----------|-----------|-----------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 1,594,567 | 1,546,921 | 2,368,540 | 1,697,641 | 14.5 | 48.5 | 16.8 | 9.7 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 425,607 | 323,242 | 424,163 | 349,779 | 16.8 | —3 | 14.6 | 8.2 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 2,747 | 2,797 | 3,049 | 2,267 | 4.4 | 11.0 | —9.3 | —18.9 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 1,168,960 | 1,223,679 | 1,944,377 | 1,347,862 | 14.0 | 66.3 | 17.4 | 10.1 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 35,668 | 34,690 | 38,524 | 34,725 | 10.8 | 8.0 | 10.2 | .1 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 389 | 453 | 372 | 443 | —5.1 | —4.4 | —4.3 | —2.2 |
| Number of dwelling units | 445,772 | 443,075 | 18,317 | 15,185 | 17,335 | 17,352 | 1.0 | —5.4 | —6 | 14.3 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 637,697 | 530,063 | 671,861 | 607,173 | 15.3 | 5.4 | 15.6 | 14.5 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 22,901 | 19,070 | 22,899 | 21,316 | 10.3 | .0 | 10.7 | 11.8 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 17 | 14 | 16 | 15 | —10.0 | —5.9 | —4 | 7.1 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 8,169 | 9,593 | 13,204 | 11,520 | 9.4 | 61.6 | 44.8 | 20.1 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 246 | 312 | 419 | 294 | —7 | 70.2 | 24.7 | —5.6 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 1,456 | 1,556 | 1,506 | 1,369 | —2.5 | 3.4 | —12.0 | —12.0 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 389,095 | 507,570 | 561,540 | 471,336 | 27.6 | 44.3 | 15.8 | —7.1 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 12,521 | 15,307 | 15,206 | 13,115 | 12.2 | 21.4 | 8.9 | —14.3 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 885 | 774 | 1,155 | 440 | 22.4 | 30.5 | —9.1 | —43.2 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 133,999 | 176,453 | 697,772 | 257,833 | —1 | 420.7 | 22.2 | 46.1 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 313 | 168 | 423 | 105 | 9.3 | 35.1 | —17.8 | —37.5 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 49,202 | 58,727 | 85,127 | 36,664 | 3.0 | 73.0 | —16.3 | —37.6 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Michigan totaled \$10.0 billion in 1978:IV, up 14.6 percent increase (table 7). In 1978:IV, nondurable goods accounted for almost (\$1.3 billion) since 1977:IV, compared with an 11.2-percent national \$6.4 billion, and durable goods accounted for almost \$3.7 billion.

TABLE 7.—Retail Sales, United States and Michigan Through Fourth Quarter, 1978

| | United States | | | Michigan | | | U.S. | State | U.S. | State |
|------------------------|--|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | 7,457 | 8,747 | 8,923 | 10,028 | 10.3 | 19.7 | 11.2 | 14.6 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 3,348 | 3,656 | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | 5,575 | 6,372 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

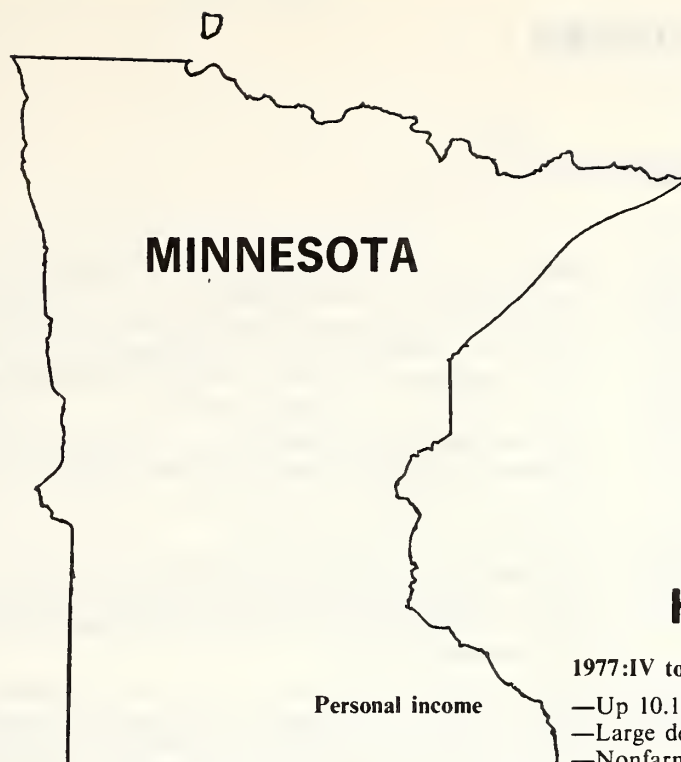
TABLE 8.—Business Incorporations and Failures, United States and Michigan Through Fourth Quarter, 1978

| | United States | | | Michigan | | | U.S. | State | U.S. | State |
|--|---------------|---------|----------|----------|----------|----------------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Not seasonally adjusted | | | | | | Percent change | | | | |
| New business incorporations..... | 109,411 | n.a. | 3,466 | 3,469 | 3,649 | n.a. | 8.2 | 5.3 | --- | --- |
| Total number of business failures..... | 1,684 | n.a. | 112 | 95 | 37 | n.a. | -9.5 | -67.0 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 29,978 | 12,309 | 8,758 | n.a. | -44.2 | -70.8 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 268 | 130 | 237 | n.a. | -38.4 | -11.6 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 16 | 5 | 2 | n.a. | -10.1 | -87.5 | --- | --- |
| Construction | 319 | n.a. | 17 | 21 | 11 | n.a. | 1.0 | -35.3 | --- | --- |
| Wholesale trade..... | 191 | n.a. | 16 | 11 | 3 | n.a. | -27.1 | -81.2 | --- | --- |
| Retail trade | 688 | n.a. | 48 | 49 | 15 | n.a. | -4.2 | -68.7 | --- | --- |
| Commercial services..... | 238 | n.a. | 15 | 9 | 7 | n.a. | -24.0 | -53.3 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

- Personal income**
- Up 10.1%, 2.5 percentage points less than in U.S.
 - Large decline in farm income
 - Nonfarm income up 13.7%, 1.4 percentage points more than in U.S.
- Consumer prices**
- Up 11.1% in Minneapolis-St. Paul vs. 8.9% in U.S.
- Employment**
- Up 5.1% vs. 3.9% in U.S., to almost 2.0 million
- Unemployment**
- Down 17,000, to 68,000
 - Rate down to 3.4% of labor force vs. 5.5% U.S. rate
- Construction**
- Total valuation of contracts up 9.0% vs. 16.8% in U.S., to \$902 million
 - Weakness in all major construction categories in State
 - Number of dwelling-unit starts down 5.5% vs. little change in U.S., to 9,212
- Retail sales**
- Up 8.6% vs. 11.2% in U.S., to \$4.1 billion

TABLE 1.—Summary of Economic Indicators, United States and Minnesota Through Fourth Quarter, 1978

| | United States | | | Minnesota | | | U.S. | State | U.S. | State |
|--|--|------------|----------|-----------|-----------|---------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 28,361 | 29,850 | 31,497 | 32,872 | 12.4 | 11.1 | 12.6 | 10.1 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 17,744 | 18,130 | 20,088 | 20,834 | 12.1 | 13.2 | 12.6 | 14.9 |
| Civilian employment (thousands) | 92,442 | 96,010 | 1,871 | 1,859 | 1,961 | 1,953 | 4.1 | 4.8 | 3.9 | 5.1 |
| Unemployment (thousands) | 6,149 | 5,605 | 87 | 85 | 68 | 68 | -9.8 | -21.7 | -8.8 | -20.7 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 4.4 | 4.4 | 3.4 | 3.4 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 11,829 | 12,144 | 13,804 | n.a. | 16.3 | 16.7 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 16,684 | 18,028 | 18,814 | n.a. | 11.5 | 12.8 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 974,113 | 828,001 | 1,124,952 | 902,351 | 14.5 | 15.5 | 16.8 | 9.0 |
| Dwelling units started (number) | 445,772 | 443,075 | 12,079 | 9,745 | 11,703 | 9,212 | 1.0 | -3.1 | -6 | -5.5 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 3,460 | 3,820 | 3,767 | 4,149 | 10.3 | 8.9 | 11.2 | 8.6 |
| New business incorporations (number) | 109,411 | n.a. | 1,608 | 1,621 | 1,790 | n.a. | 8.2 | 11.3 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 47 | 38 | 44 | n.a. | -9.5 | -6.4 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Minneapolis—St. Paul | --- | --- | 184.5 | 187.0 | 203.5 | 207.7 | --- | 10.3 | --- | 11.1 |

n.a.: Data not available.

Source: See tables 2 through 8.

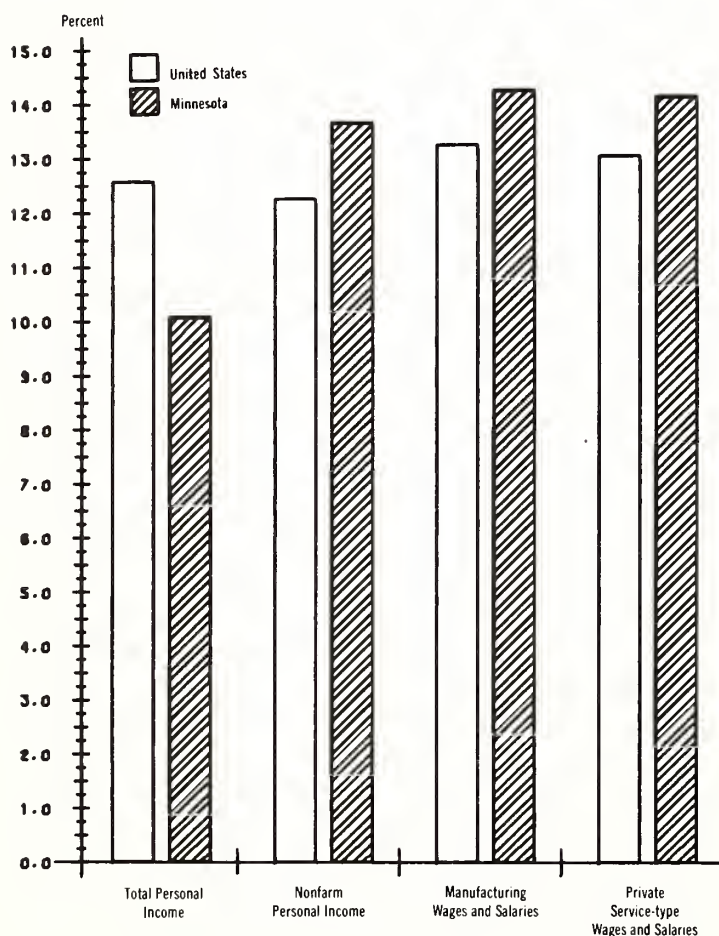
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.1 percent from 1977:IV to 1978:IV, 2.5 percentage points less than nationally (table 2). In 1978:IV, Minnesota's total personal income was \$32.9 billion, for an increase of \$3.0 billion since 1977:IV. Among all States, Minnesota's increase ranked 46th. Much of the State's relative weakness was traceable to farming. Farm income declined 30.1 percent in Minnesota, the largest decline in the Nation, versus an increase of 26.3 percent in the Nation. The State's decline was particularly important inasmuch as farm income accounted for 5.2 percent of Minnesota's total income in 1978:IV versus a weight of 2.2 percent in the Nation. Nonfarm income increased 13.7 percent in Minnesota, 1.4 percentage points more than nationally. Among all States, Minnesota's increase ranked 12th. Changes in most major nonfarm income components were above those registered in corresponding components nationally.

Since the last national business cycle peak (1973:IV), Minnesota's nonfarm economy has increased rapidly; the increase in nonfarm income was 7 percent more than nationally, ranking Minnesota 25th among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Consumer prices from 1977:IV to 1978:IV increased 11.1 percent in the Minneapolis-St. Paul metropolitan area, well above the national average increase of 8.9 percent (table 3). If Minneapolis-St. Paul's index is used as an indicator for price movements in the State, real total personal income in Minnesota declined 1.0 percent from year to year versus an increase of 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 14.9 percent in Minnesota versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$20.8 billion, up \$2.7 billion since 1977:IV. Among all States, Minnesota's increase ranked 10th.

Mining payrolls increased substantially from an unusually low level in 1977:IV, when they were adversely affected by an iron ore workers' strike. Construction payrolls in the State increased 29.6 percent versus 20.1 percent in the Nation.

Manufacturing payrolls increased 14.3 percent in Minnesota and 13.3 percent in the Nation. Strength was pronounced in nondurable goods manufacturing—up 13.5 percent in the State versus 10.0 percent in the Nation. In contrast, the increase in durable goods payrolls was somewhat less in the State than in the Nation.

Payrolls in the private service-type industry group increased 14.2 percent in Minnesota and 13.1 percent in the Nation. Strength was particularly pronounced in trade and in finance-insurance-real estate. In contrast, the increase in Minnesota in transportation-communication-public utilities was well below that registered in the Nation.

Federal Government payrolls increased more rapidly in Minnesota than in the Nation. The increase in State and local government payrolls was somewhat below that in the Nation.

With Minnesota's nonfarm income increasing more rapidly than the Nation's, State unemployment insurance benefits declined 46.6 percent in Minnesota versus 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

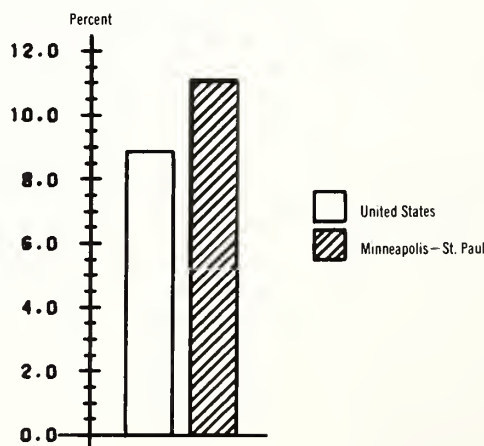


Chart 3.—Total Personal Income
[Seasonally adjusted]

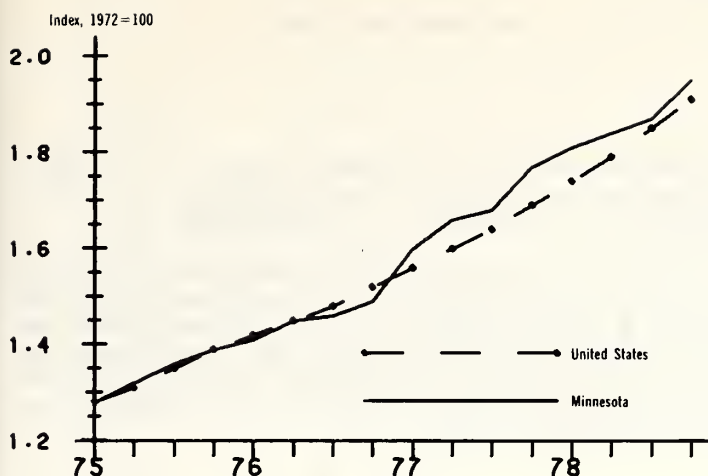


Chart 4.—Industrial Composition of Wages and Salaries: Minnesota
[Seasonally adjusted]

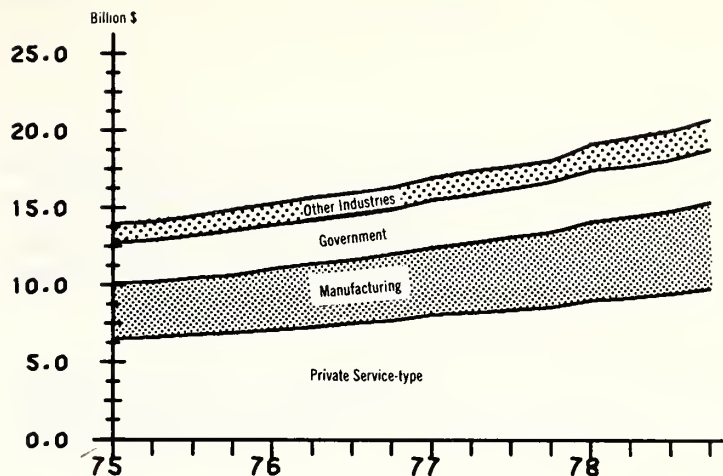


TABLE 2.—Personal Income, United States and Minnesota Through Fourth Quarter, 1978

| | United States | | | Minnesota | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|-----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 28,361 | 29,850 | 31,497 | 32,872 | 12.4 | 11.1 | 12.6 | 10.1 |
| Farm personal income..... | 31,224 | 39,451 | 1,563 | 2,434 | 1,364 | 1,702 | 47.9 | -12.7 | 26.3 | -30.1 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 26,799 | 27,416 | 30,132 | 31,170 | 11.9 | 12.4 | 12.3 | 13.7 |
| Total personal income | 1,583,508 | 1,782,519 | 28,361 | 29,850 | 31,497 | 32,872 | 12.4 | 11.1 | 12.6 | 10.1 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 17,744 | 18,130 | 20,088 | 20,834 | 12.1 | 13.2 | 12.6 | 14.9 |
| Other labor income | 96,016 | 111,719 | 1,710 | 1,769 | 2,038 | 2,115 | 17.0 | 19.2 | 16.4 | 19.5 |
| Proprietors' income..... | 105,953 | 125,995 | 2,826 | 3,713 | 2,800 | 3,194 | 21.5 | -9 | 18.9 | -14.0 |
| Farm | 23,636 | 31,044 | 1,390 | 2,259 | 1,177 | 1,505 | 66.6 | -15.3 | 31.3 | -33.4 |
| Nonfarm | 82,317 | 94,951 | 1,436 | 1,454 | 1,622 | 1,689 | 12.8 | 13.0 | 15.3 | 16.2 |
| Dividends, interest, and rent | 214,992 | 242,442 | 3,898 | 3,988 | 4,353 | 4,475 | 12.3 | 11.7 | 12.8 | 12.2 |
| Transfer payments | 215,944 | 233,750 | 3,424 | 3,506 | 3,662 | 3,737 | 8.8 | 6.9 | 8.2 | 6.6 |
| State unemployment insurance benefits..... | 11,128 | 7,753 | 177 | 197 | 86 | 105 | -24.0 | -51.3 | -30.3 | -46.6 |
| Less: personal contributions | 62,212 | 71,610 | 1,214 | 1,229 | 1,412 | 1,449 | 14.8 | 16.3 | 15.1 | 17.9 |
| Plus: residence adjustment..... | -401 | -473 | -28 | -26 | -32 | -34 | — | — | — | — |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 17,744 | 18,130 | 20,088 | 20,834 | 12.1 | 13.2 | 12.6 | 14.9 |
| Farm | 7,176 | 7,939 | 167 | 169 | 181 | 190 | 8.5 | 8.2 | 10.6 | 12.7 |
| Nonfarm | 1,006,040 | 1,132,757 | 17,578 | 17,961 | 19,907 | 20,644 | 12.1 | 13.3 | 12.6 | 14.9 |
| Mining..... | 14,048 | 18,813 | 182 | 114 | 338 | 352 | 26.5 | 86.3 | 33.9 | 210.0 |
| Construction | 55,648 | 66,858 | 1,048 | 1,056 | 1,310 | 1,368 | 19.1 | 25.0 | 20.1 | 29.6 |
| Manufacturing | 276,112 | 312,970 | 4,717 | 4,908 | 5,416 | 5,608 | 12.1 | 14.8 | 13.3 | 14.3 |
| Durable goods | 176,216 | 203,053 | 2,790 | 2,908 | 3,260 | 3,338 | 13.7 | 16.8 | 15.2 | 14.8 |
| Nondurable goods | 99,896 | 109,917 | 1,927 | 2,000 | 2,156 | 2,270 | 9.4 | 11.9 | 10.0 | 13.5 |
| Private service-type | 455,764 | 515,348 | 8,462 | 8,619 | 9,478 | 9,842 | 12.8 | 12.0 | 13.1 | 14.2 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 1,422 | 1,479 | 1,529 | 1,620 | 10.4 | 7.5 | 11.3 | 9.6 |
| Wholesale and retail trade | 170,888 | 195,035 | 3,451 | 3,498 | 3,962 | 4,114 | 13.6 | 14.8 | 14.1 | 17.6 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 954 | 974 | 1,086 | 1,112 | 14.1 | 13.8 | 13.2 | 14.2 |
| Services..... | 153,840 | 173,396 | 2,634 | 2,669 | 2,901 | 2,996 | 12.6 | 10.1 | 12.7 | 12.3 |
| Government | 201,252 | 215,083 | 3,121 | 3,215 | 3,307 | 3,417 | 7.4 | 6.0 | 6.9 | 6.3 |
| Federal | 68,176 | 73,003 | 538 | 565 | 590 | 616 | 7.3 | 9.7 | 7.1 | 9.0 |
| State and local | 133,076 | 142,080 | 2,583 | 2,650 | 2,717 | 2,801 | 7.5 | 5.2 | 6.8 | 5.7 |
| Other | 3,216 | 3,685 | 49 | 50 | 58 | 58 | 18.7 | 20.1 | 14.6 | 14.7 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Minnesota Through Fourth Quarter, 1978¹

| | United States | | | Minnesota | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|-----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Minneapolis—St. Paul..... | --- | --- | 184.5 | 187.0 | 203.5 | 207.7 | --- | 10.3 | --- | 11.1 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, labor market conditions in Minnesota were strong. The **civilian labor force** increased 4.0 percent, nearly 1 percentage point more than in the Nation (table 4). Among all States, Minnesota's increase ranked 17th. **Total employment** increased 5.1 percent in the State, 1.2 percentage points more than in the Nation, to almost 2.0 million. Minnesota's increase, along with the increase in Kansas, was the largest in the Plains region.

With total employment increasing 94,000 and the labor force increasing 77,000, **unemployment** declined 17,000, to 68,000. In 1978:IV, Minnesota's **unemployment rate** was 3.4 percent versus 5.5 percent in the Nation. Only five States—four of them located in the Plains region—

had unemployment rates lower than Minnesota's. The State's unemployment rate declined 1.0 percentage point from year to year versus a decline in the Nation of 0.7 percentage point.

In December 1978, the preliminary unemployment rate in the State was 3.9 percent, down 1.1 percentage points since December 1977. The December 1978 rate in Minneapolis-St. Paul, which accounts for one-half of the State's labor force, was 2.9 percent, down 0.8 percentage point from the year before. In Duluth-Superior, the December 1978 rate was 5.0 percent, down 4.3 percentage points from the year before, when a mining strike was in effect.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV:
Minnesota

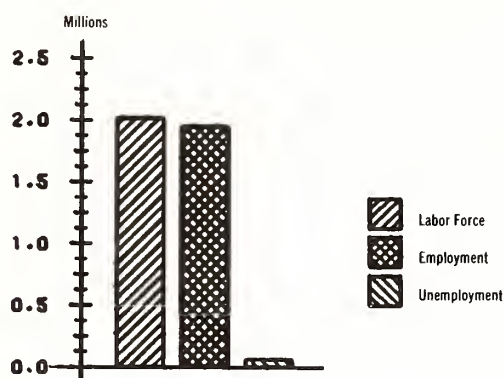


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

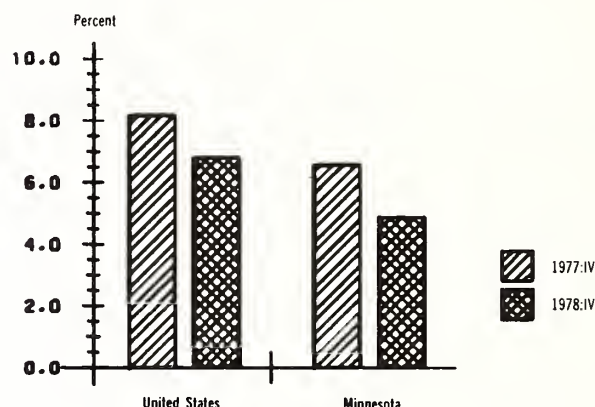


TABLE 4.—Labor Force, United States and Minnesota Through Fourth Quarter, 1978

| | United States | | | Minnesota | | | U.S. | State | U.S. | State |
|---|--|---------|----------|-----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,616 | 1,642 | 1,701 | 1,731 | 4.3 | 5.3 | 4.2 | 5.5 |
| Mining | 787 | 899 | 10 | 8 | 19 | 18 | 8.2 | 94.8 | 14.2 | 127.5 |
| Construction | 4,032 | 4,488 | 82 | 77 | 92 | 87 | 10.4 | 12.2 | 11.3 | 12.3 |
| Manufacturing | 19,986 | 20,722 | 351 | 344 | 371 | 367 | 3.1 | 5.6 | 3.7 | 6.6 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 94 | 95 | 93 | 99 | 3.8 | —5 | 4.4 | 3.8 |
| Wholesale and retail trade | 19,152 | 20,015 | 410 | 421 | 429 | 438 | 5.3 | 4.8 | 4.5 | 4.1 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 84 | 85 | 89 | 89 | 4.8 | 6.0 | —2.0 | 5.4 |
| Services | 15,539 | 16,215 | 315 | 320 | 333 | 339 | 4.6 | 5.9 | 4.4 | 5.8 |
| Government | 15,434 | 15,656 | 271 | 292 | 275 | 295 | 2.1 | 1.3 | 1.4 | 1.0 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,958 | 1,944 | 2,029 | 2,021 | 3.2 | 3.6 | 3.1 | 4.0 |
| Total employed | 92,442 | 96,010 | 1,871 | 1,859 | 1,961 | 1,953 | 4.1 | 4.8 | 3.9 | 5.1 |
| Total unemployed | 6,149 | 5,605 | 87 | 85 | 68 | 68 | —9.8 | —21.7 | —8.8 | —20.7 |
| Percent unemployed | 6.2 | 5.5 | 4.4 | 4.4 | 3.4 | 3.4 | — | — | — | — |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

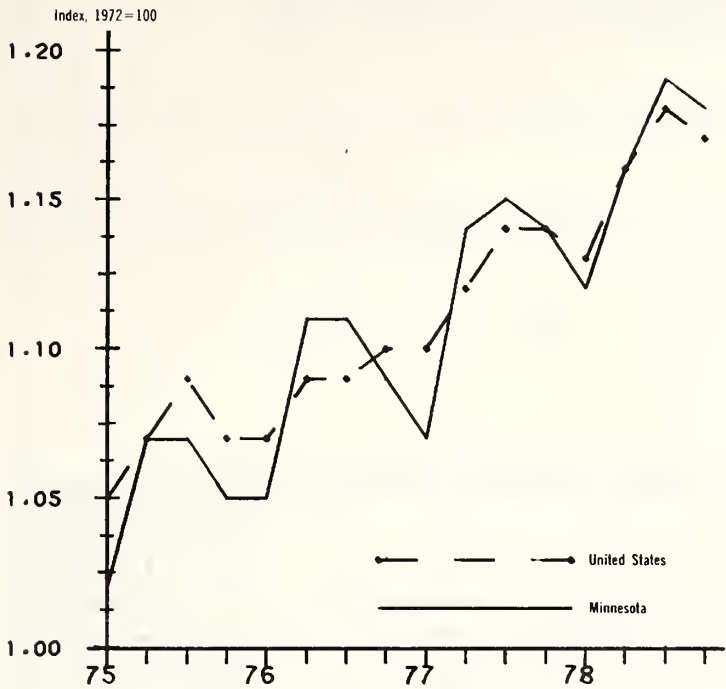


Chart 8.—Civilian Employment

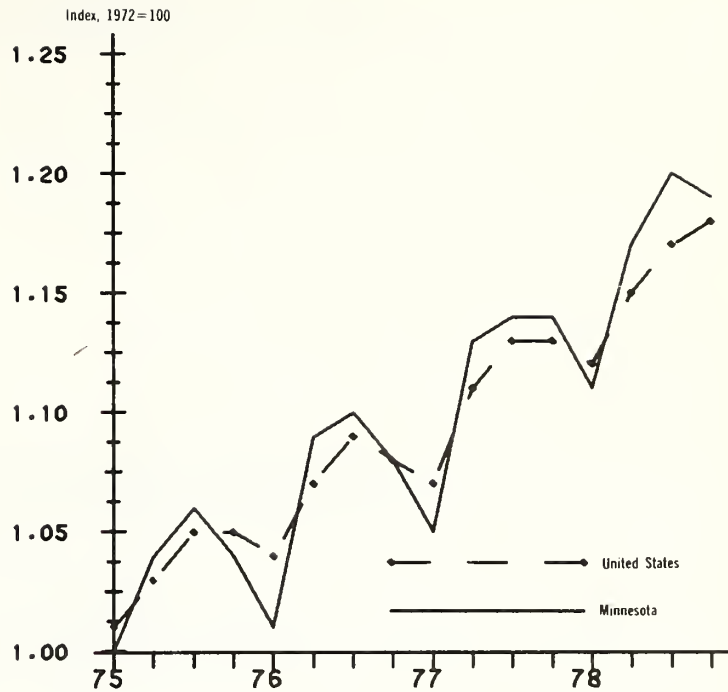


Chart 9.—Unemployment Rate

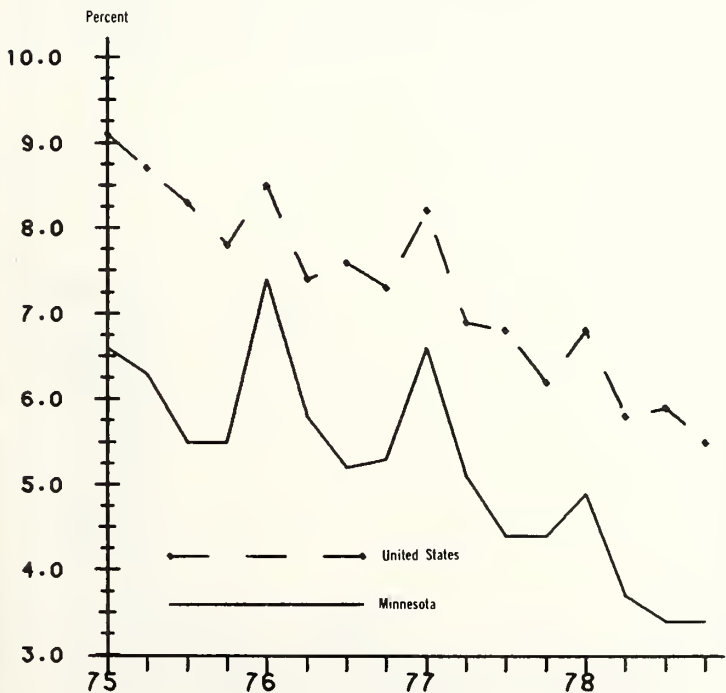
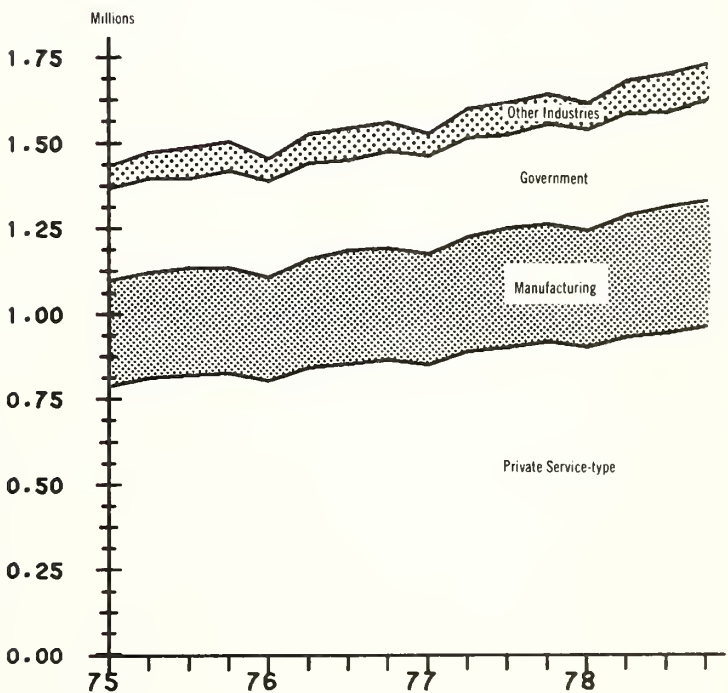


Chart 10.—Industrial Composition of Nonagricultural Employment: Minnesota



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Minnesota Through Fourth Quarter, 1978

| | United States | | | Minnesota | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|-----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 11,829 | 12,144 | 13,804 | n.a. | 16.3 | 16.7 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 3,488 | 3,594 | 4,144 | n.a. | 14.2 | 18.8 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 2,416 | 2,444 | 2,792 | n.a. | 20.2 | 15.6 | --- | --- |
| Real estate | 177,935 | n.a. | 3,654 | 3,802 | 4,259 | n.a. | 19.9 | 16.6 | --- | --- |
| Residential | 101,236 | n.a. | 2,403 | 2,482 | 2,792 | n.a. | 21.3 | 16.2 | --- | --- |
| Farms | 7,731 | n.a. | 243 | 248 | 271 | n.a. | 10.7 | 11.6 | --- | --- |
| Other | 68,968 | n.a. | 1,008 | 1,072 | 1,195 | n.a. | 19.0 | 18.6 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 1,369 | 1,337 | 1,549 | n.a. | 6.8 | 13.2 | --- | --- |
| Other | 69,947 | n.a. | 901 | 967 | 1,061 | n.a. | 8.0 | 17.7 | --- | --- |
| Total deposits | 925,511 | n.a. | 16,684 | 18,028 | 18,814 | n.a. | 11.5 | 12.8 | --- | --- |
| Demand | 377,683 | n.a. | 5,362 | 6,223 | 5,965 | n.a. | 10.2 | 11.2 | --- | --- |
| Time and savings | 547,828 | n.a. | 11,321 | 11,805 | 12,849 | n.a. | 12.3 | 13.5 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 9.0 percent in the State versus 16.8 percent in the Nation (table 6). All major construction categories were weaker in Minnesota than in the Nation. In 1978:IV, contracts in the State totaled \$902 million, for a gain over the year of \$74 million.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Minnesota, the real valuation of construction contracts declined about 4 percent in the State, compared with a 4-percent increase nationally.

Nonbuilding contracts declined 14.9 percent in valuation in Minnesota versus a 22.2-percent increase in the Nation. Partly accounting for the decline was a decline of 4.1 percent in the valuation of street and

highway contracts. Nationally, the valuation of street and highway contracts declined 16.3 percent.

Contracts for additions and alterations to residential housekeeping units increased 6.0 percent in valuation in the State versus 14.6 percent in the Nation. The valuation of residential housekeeping contracts increased 5.9 percent in the State and 15.6 percent nationally. The number of dwelling units started declined 5.5 percent, or 533 units, in the State, to 9,212 units. Nationally, in contrast, the number of dwelling units started was virtually unchanged at a high level.

The valuation of nonresidential contracts increased 11.6 percent in the State, lagging the national increase by 4.2 percentage points.

Chart 14.—Construction Contracts—Total Valuation

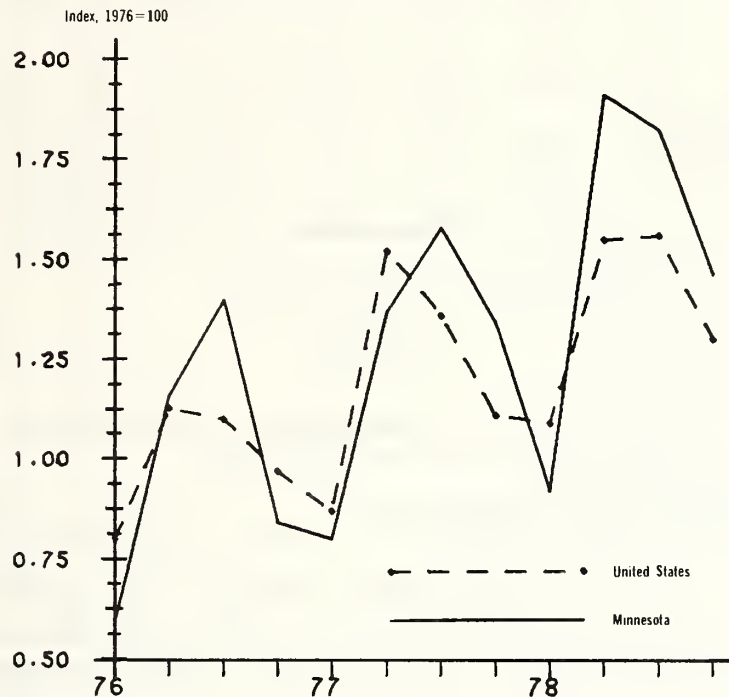


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Minnesota

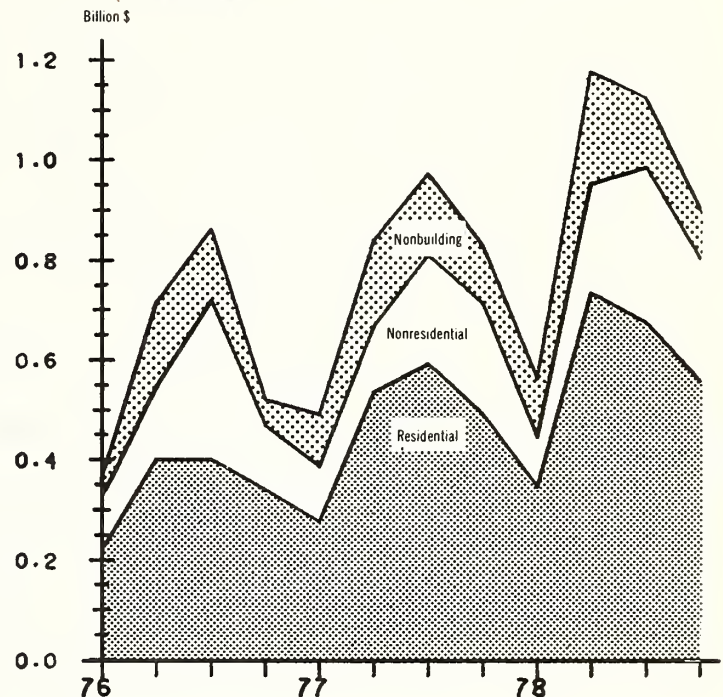


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

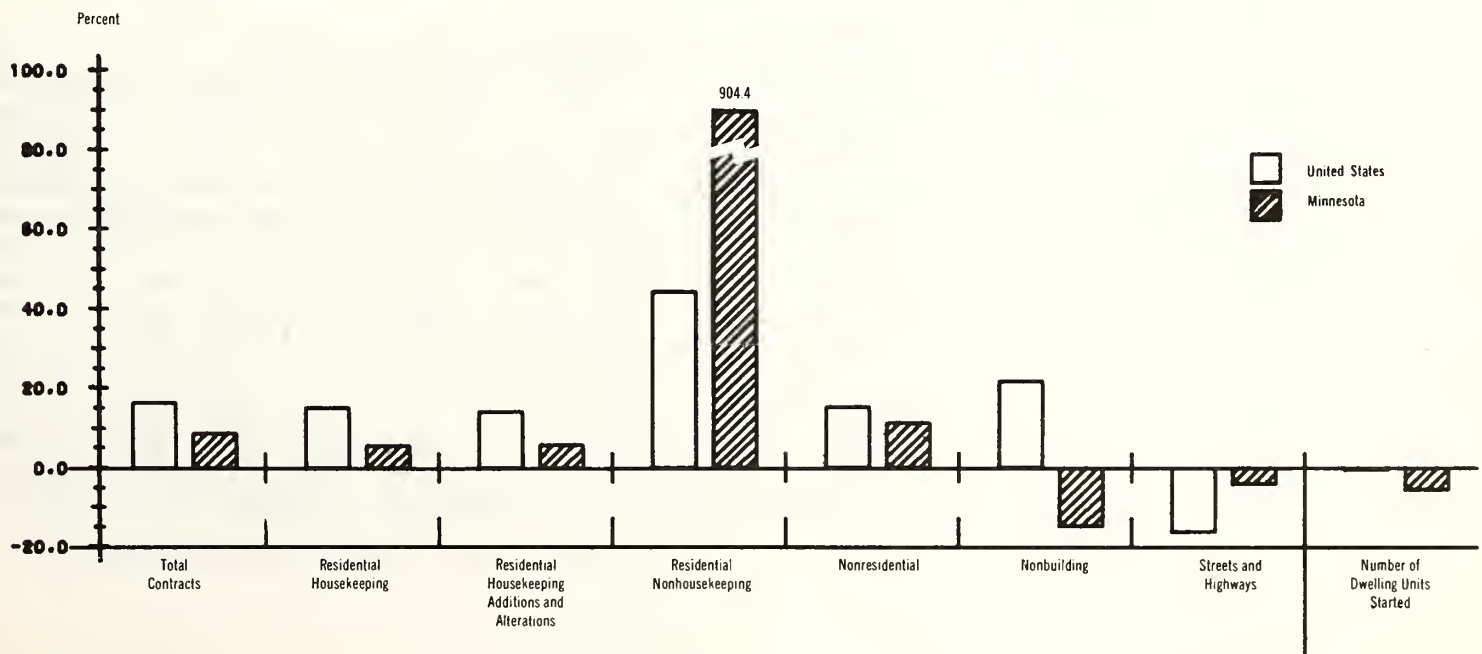


TABLE 6.—Construction Contracts, United States and Minnesota Through Fourth Quarter, 1978¹

| | United States | | | Minnesota | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|-----------|-----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 974,113 | 828,001 | 1,124,952 | 902,351 | 14.5 | 15.5 | 16.8 | 9.0 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 177,100 | 147,462 | 189,443 | 156,359 | 16.8 | 7.0 | 14.6 | 6.0 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,848 | 1,434 | 1,796 | 1,393 | 4.4 | -2.8 | -9.3 | -2.9 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 797,013 | 680,539 | 935,509 | 745,992 | 14.0 | 17.4 | 17.4 | 9.6 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 21,886 | 18,984 | 25,213 | 21,509 | 10.8 | 15.2 | 10.2 | 13.3 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 391 | 399 | 355 | 371 | -5.1 | -9.2 | -4.3 | -7.0 |
| Number of dwelling units | 445,772 | 443,075 | 12,079 | 9,745 | 11,703 | 9,212 | 1.0 | -3.1 | -6 | -5.5 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 411,800 | 339,975 | 476,275 | 360,184 | 15.3 | 15.7 | 15.6 | 5.9 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 14,890 | 12,320 | 16,113 | 12,604 | 10.3 | 8.2 | 10.7 | 2.3 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 15 | 7 | 12 | 12 | -10.0 | -20.0 | -4 | 71.4 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 6,250 | 4,113 | 10,084 | 41,311 | 9.4 | 61.3 | 44.8 | 904.4 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 228 | 143 | 349 | 1,064 | -7 | 53.4 | 24.7 | 642.4 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 533 | 542 | 509 | 540 | -2.5 | -4.5 | -12.0 | -4 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 216,131 | 219,913 | 310,652 | 245,352 | 27.6 | 43.7 | 15.8 | 11.6 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 6,768 | 6,521 | 8,751 | 7,842 | 12.2 | 29.3 | 8.9 | 20.3 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 909 | 486 | 920 | 470 | 22.4 | 1.2 | -9.1 | -3.3 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 162,832 | 116,538 | 138,498 | 99,145 | -1 | -14.9 | 22.2 | -14.9 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 368 | 131 | 342 | 89 | 9.3 | -7.1 | -17.8 | -32.1 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 68,005 | 26,752 | 69,018 | 25,668 | 3.0 | 1.5 | -16.3 | -4.1 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Minnesota totaled \$4.1 billion in 1978:IV, up 8.6 percent increase (table 7). In 1978:IV, nondurable goods accounted for \$2.6 billion, and durable goods accounted for \$1.5 billion.

TABLE 7.—Retail Sales, United States and Minnesota Through Fourth Quarter, 1978

| | United States | | | Minnesota | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|-----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| Retail sales | 197,030 | 219,020 | 3,460 | 3,820 | 3,767 | 4,149 | 10.3 | 8.9 | 11.2 | 8.6 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 1,493 | 1,503 | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | 2,274 | 2,646 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Minnesota Through Fourth Quarter, 1978

| | United States | | | Minnesota | | | U.S. | State | U.S. | State |
|---|-------------------------|---------|----------|-----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations..... | 109,411 | n.a. | 1,608 | 1,621 | 1,790 | n.a. | 8.2 | 11.3 | --- | --- |
| Total number of business failures..... | 1,684 | n.a. | 47 | 38 | 44 | n.a. | -9.5 | -6.4 | --- | --- |
| Current liabilities (thousands of dollars)..... | 484,296 | n.a. | 6,269 | 4,137 | 7,317 | n.a. | -44.2 | 16.7 | --- | --- |
| Average liability per failure (thousands of dollars)..... | 288 | n.a. | 133 | 109 | 166 | n.a. | -38.4 | 24.8 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing..... | 248 | n.a. | 6 | 4 | 8 | n.a. | -10.1 | 33.3 | --- | --- |
| Construction..... | 319 | n.a. | 9 | 7 | 2 | n.a. | 1.0 | -77.8 | --- | --- |
| Wholesale trade..... | 191 | n.a. | 5 | 4 | 8 | n.a. | -27.1 | 60.0 | --- | --- |
| Retail trade..... | 688 | n.a. | 19 | 18 | 24 | n.a. | -4.2 | 26.3 | --- | --- |
| Commercial services..... | 238 | n.a. | 8 | 5 | 2 | n.a. | -24.0 | -75.0 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

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Highlights

1977:IV to 1978:IV

Personal income

- Up 13.5% vs. 12.6% in U.S., to \$14.3 billion
- Payrolls up 15.3% in State and local government vs. 6.8% in U.S.
- Payrolls up 28.3% in construction vs. 20.1% in U.S.

Employment

- Unchanged, at 909,000, vs. 3.9% increase in U.S.

Unemployment

- Down 4,000, to 64,000
- Rate down to 6.6% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 5.8% vs. 16.8% in U.S., to \$514.3 million
- Valuation of nonresidential contracts down 50.3% vs. 15.8% increase in U.S.
- Number of dwelling-unit starts up 8.3% vs. near stability in U.S., to 5,875

TABLE 1.—Summary of Economic Indicators, United States and Mississippi Through Fourth Quarter, 1978

| | United States | | | Mississippi | | | U.S. | State | U.S. | State |
|--|---------------|------------|----------|-------------|----------|---------|------------------------|-----------------------|------------------------|-----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III – 1978:III | 1977:IV – 1978:III | 1977:III – 1978:III | 1977:IV – 1978:III |
| All indicators, except income, not seasonally adjusted | | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 12,116 | 12,570 | 14,322 | 14,265 | 12.4 | 18.2 | 12.6 | 13.5 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 7,323 | 7,487 | 8,341 | 8,516 | 12.1 | 13.9 | 12.6 | 13.7 |
| Civilian employment (thousands) | 92,442 | 96,010 | 910 | 909 | 903 | 909 | 4.1 | –.7 | 3.9 | .0 |
| Unemployment (thousands) | 6,149 | 5,605 | 72 | 68 | 76 | 64 | –9.8 | 4.9 | –8.8 | –6.6 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 7.4 | 7.0 | 7.8 | 6.6 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 4,387 | 4,487 | 5,186 | n.a. | 16.3 | 18.2 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 6,886 | 7,351 | 7,939 | n.a. | 11.5 | 15.3 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 427,702 | 485,992 | 548,238 | 514,292 | 14.5 | 28.2 | 16.8 | 5.8 |
| Dwelling units started (number) | 445,772 | 443,075 | 5,826 | 5,423 | 6,560 | 5,875 | 1.0 | 12.6 | –.6 | 8.3 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 950 | 959 | 965 | n.a. | 8.2 | 1.6 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 3 | 6 | 5 | n.a. | –9.5 | 66.7 | --- | --- |
| Consumer Price Index (1967=100): U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.5 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, the State's personal income totaled \$14.3 billion, up \$1.7 billion since 1977:IV. From year to year, Mississippi's farm personal income increased 14.5 percent versus 26.3 percent nationally, and the State's nonfarm personal income increased 13.4 percent versus 12.3 percent nationally. Since the most recent national business cycle peak in 1973:IV, Mississippi's nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 13 percent more than nationally, ranking Mississippi 20th among all States.

Wage and salary disbursements (payrolls) from 1977:IV to 1978:IV increased 13.7 percent in the State, compared with a 12.6-percent national increase. In 1978:IV, they totaled \$8.5 billion, up \$1.0 billion

since 1977:IV. State and local government payrolls increased 15.3 percent in Mississippi, the largest increase in the Nation and well over two times the national increase. The dollar increase in Mississippi's State and local government payrolls accounted for 15 percent of the year-to-year increase in all State payrolls. Federal Government payrolls in Mississippi also increased faster than nationally—9.7 percent versus 7.1 percent.

Within Mississippi's private service-type industry group, State payroll increases outpaced national increases in most components. Payrolls in transportation-communication-public utilities increased 12.9 percent versus 11.3 percent nationally, and trade payrolls increased 16.1 percent versus 14.1 percent nationally. In finance-insurance-real estate, State payrolls increased 15.1 percent, compared with a 13.2-percent national gain. Services payrolls, in contrast, increased 11.6 percent in the State and 12.7 percent nationally.

Payrolls in Mississippi's construction industry increased 28.3 percent from year to year, one of the largest increases in the Nation, compared with a national increase of 20.1 percent.

Nondurable goods manufacturing payrolls increased 11.0 percent versus 10.0 percent nationally. In contrast, durable goods manufacturing payrolls increased 10.0 percent in the State, 5.2 percentage points less than nationally; Mississippi's increase was outpaced by increases in 45 States.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined only 11.1 percent in Mississippi—one of the smallest declines in the Nation. Concurrently, unemployment insurance benefits throughout the Nation declined 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV

[Seasonally adjusted]

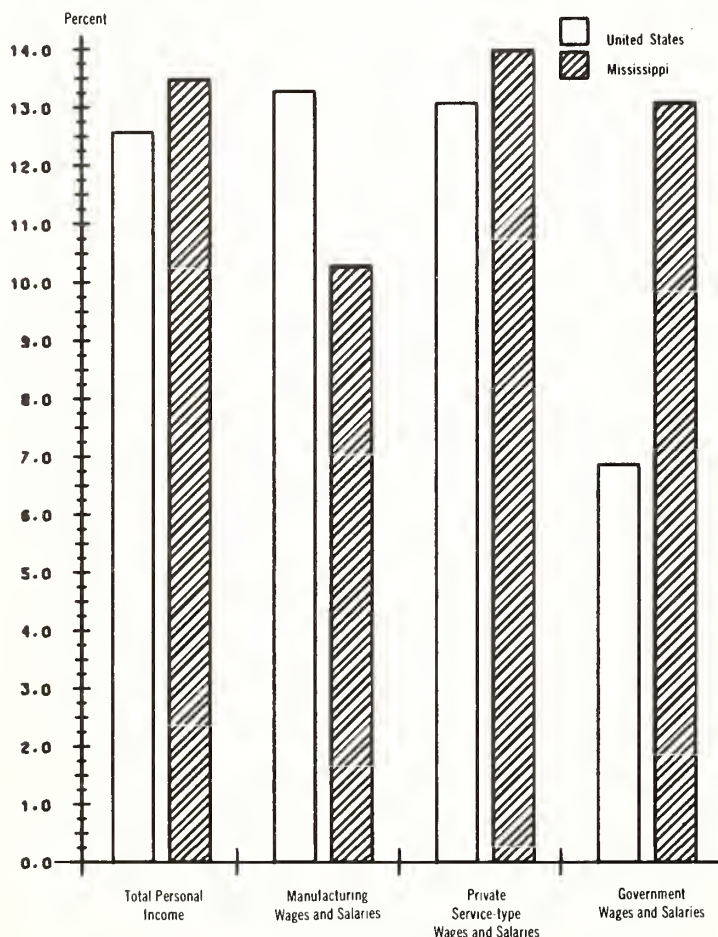


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

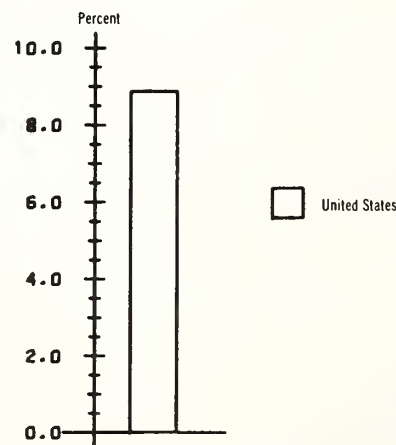


Chart 3.—Total Personal Income
[Seasonally adjusted]

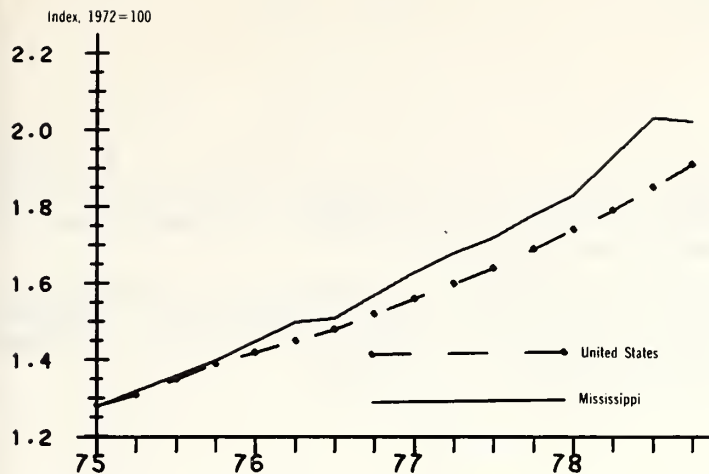


Chart 4.—Industrial Composition of Wages and Salaries: Mississippi
[Seasonally adjusted]

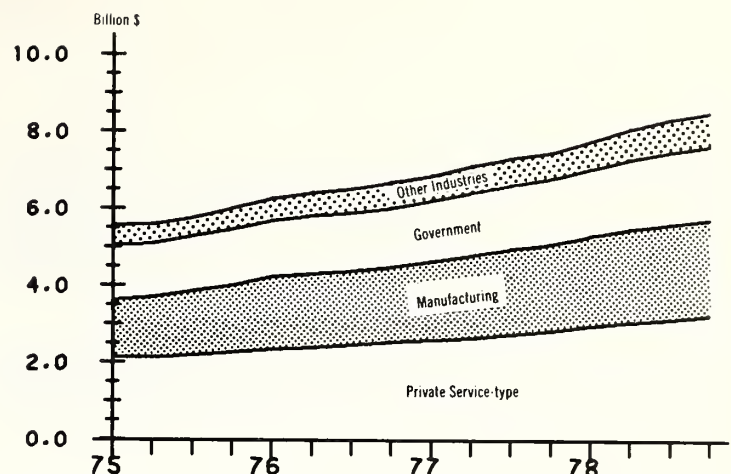


TABLE 2.—Personal Income, United States and Mississippi Through Fourth Quarter, 1978

| | United States | | | Mississippi | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|-------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 12,116 | 12,570 | 14,322 | 14,265 | 12.4 | 18.2 | 12.6 | 13.5 |
| Farm personal income | 31,224 | 39,451 | 515 | 707 | 1,171 | 809 | 47.9 | 127.1 | 26.3 | 14.5 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 11,601 | 11,863 | 13,152 | 13,456 | 11.9 | 13.4 | 12.3 | 13.4 |
| Total personal income | 1,583,508 | 1,782,519 | 12,116 | 12,570 | 14,322 | 14,265 | 12.4 | 18.2 | 12.6 | 13.5 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 7,323 | 7,487 | 8,341 | 8,516 | 12.1 | 13.9 | 12.6 | 13.7 |
| Other labor income | 96,016 | 111,719 | 707 | 734 | 834 | 851 | 17.0 | 18.0 | 16.4 | 15.9 |
| Proprietors' income | 105,953 | 125,995 | 1,213 | 1,413 | 1,983 | 1,660 | 21.5 | 63.5 | 18.9 | 17.5 |
| Farm | 23,636 | 31,044 | 372 | 561 | 1,017 | 649 | 66.6 | 173.6 | 31.3 | 15.8 |
| Nonfarm | 82,317 | 94,951 | 841 | 852 | 966 | 1,011 | 12.8 | 14.8 | 15.3 | 18.6 |
| Dividends, interest, and rent | 214,992 | 242,442 | 1,265 | 1,291 | 1,410 | 1,449 | 12.3 | 11.5 | 12.8 | 12.3 |
| Transfer payments | 215,944 | 233,750 | 2,042 | 2,081 | 2,255 | 2,292 | 8.8 | 10.5 | 8.2 | 10.1 |
| State unemployment insurance benefits | 11,128 | 7,753 | 54 | 55 | 52 | 49 | -24.0 | -3.8 | -30.3 | -11.1 |
| Less: personal contributions | 62,212 | 71,610 | 496 | 504 | 573 | 579 | 14.8 | 15.5 | 15.1 | 15.0 |
| Plus: residence adjustment | -401 | -473 | 63 | 68 | 72 | 76 | — | — | — | — |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 7,323 | 7,487 | 8,341 | 8,516 | 12.1 | 13.9 | 12.6 | 13.7 |
| Farm | 7,176 | 7,939 | 141 | 144 | 150 | 157 | 8.5 | 6.8 | 10.6 | 9.3 |
| Nonfarm | 1,006,040 | 1,132,757 | 7,182 | 7,343 | 8,190 | 8,358 | 12.1 | 14.0 | 12.6 | 13.8 |
| Mining | 14,048 | 18,813 | 102 | 105 | 141 | 145 | 26.5 | 37.6 | 33.9 | 37.8 |
| Construction | 55,648 | 66,858 | 427 | 417 | 519 | 534 | 19.1 | 21.4 | 20.1 | 28.3 |
| Manufacturing | 276,112 | 312,970 | 2,214 | 2,267 | 2,476 | 2,501 | 12.1 | 11.8 | 13.3 | 10.3 |
| Durable goods | 176,216 | 203,053 | 1,363 | 1,424 | 1,540 | 1,566 | 13.7 | 12.9 | 15.2 | 10.0 |
| Nondurable goods | 99,896 | 109,917 | 851 | 843 | 936 | 935 | 9.4 | 10.0 | 10.0 | 11.0 |
| Private service-type | 455,764 | 515,348 | 2,759 | 2,844 | 3,150 | 3,242 | 12.8 | 14.2 | 13.1 | 14.0 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 489 | 486 | 531 | 548 | 10.4 | 8.5 | 11.3 | 12.9 |
| Wholesale and retail trade | 170,888 | 195,035 | 1,128 | 1,157 | 1,309 | 1,343 | 13.6 | 16.0 | 14.1 | 16.1 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 295 | 306 | 344 | 352 | 14.1 | 16.5 | 13.2 | 15.1 |
| Services | 153,840 | 173,396 | 847 | 895 | 967 | 999 | 12.6 | 14.2 | 12.7 | 11.6 |
| Government | 201,252 | 215,083 | 1,655 | 1,687 | 1,878 | 1,909 | 7.4 | 13.4 | 6.9 | 13.1 |
| Federal | 68,176 | 73,003 | 641 | 651 | 707 | 714 | 7.3 | 10.3 | 7.1 | 9.7 |
| State and local | 133,076 | 142,080 | 1,015 | 1,036 | 1,171 | 1,195 | 7.5 | 15.4 | 6.8 | 15.3 |
| Other | 3,216 | 3,685 | 24 | 24 | 27 | 27 | 18.7 | 15.4 | 14.6 | 13.8 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Mississippi Through Fourth Quarter, 1978¹

| | United States | | | Mississippi | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|-------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NDTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Mississippi's **civilian labor force** declined 0.5 percent versus a national increase of 3.1 percent (table 4). Mississippi was one of only three States to register a decline. **Total employment** in the State was unchanged, at 909,000, versus a 3.9-percent national increase; Arkansas, with a 1.7-percent decline, was the only other State in which total employment did not increase.

With the labor force declining about 5,000 and employment remaining about the same, the number of **unemployed** declined between 4,000 and 5,000, to 64,000. Mississippi's **unemployment rate** declined 0.4

percentage point, to 6.6 percent of the labor force. The State's unemployment rate was the fifth highest in the Nation in 1978:IV. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

According to preliminary data for December 1978, the unemployment rate was 6.6 percent for the State as a whole and only 4.7 percent for Jackson, Mississippi's major metropolitan area. Both rates were marginally lower than in December 1977.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV:
Mississippi

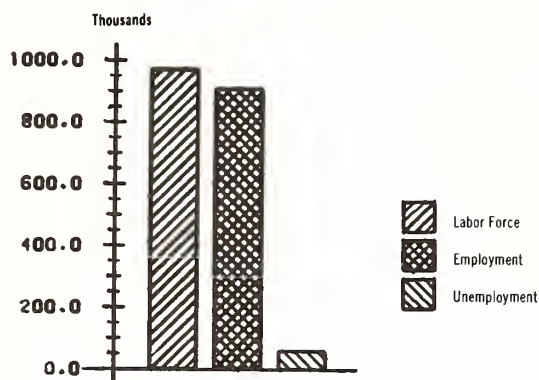


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

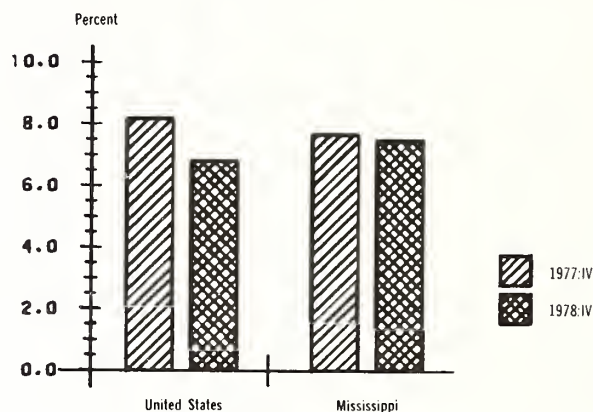


TABLE 4.—Labor Force, United States and Mississippi Through Fourth Quarter, 1978

| | United States | | | Mississippi | | | U.S. | State | U.S. | State |
|---|--|---------|----------|-------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 769 | 780 | 799 | 807 | 4.3 | 3.8 | 4.2 | 3.4 |
| Mining | 787 | 899 | 8 | 8 | 8 | 8 | 8.2 | 3.8 | 14.2 | 3.8 |
| Construction | 4,032 | 4,488 | 42 | 42 | 45 | 43 | 10.4 | 5.2 | 11.3 | 3.1 |
| Manufacturing | 19,986 | 20,722 | 234 | 236 | 234 | 235 | 3.1 | —1 | 3.7 | —6 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 37 | 37 | 38 | 38 | 3.8 | 3.6 | 4.4 | 3.5 |
| Wholesale and retail trade | 19,152 | 20,015 | 152 | 155 | 157 | 161 | 5.3 | 3.7 | 4.5 | 3.9 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 30 | 30 | 32 | 32 | 4.8 | 3.6 | —2.0 | 3.6 |
| Services | 15,539 | 16,215 | 108 | 110 | 115 | 117 | 4.6 | 6.6 | 4.4 | 7.1 |
| Government | 15,434 | 15,656 | 159 | 163 | 171 | 173 | 2.1 | 7.4 | 1.4 | 6.0 |
| Civilian labor force ³ | 98,591 | 101,615 | 983 | 978 | 979 | 973 | 3.2 | —3 | 3.1 | —5 |
| Total employed | 92,442 | 96,010 | 910 | 909 | 903 | 909 | 4.1 | —7 | 3.9 | .0 |
| Total unemployed | 6,149 | 5,605 | 72 | 68 | 76 | 64 | —9.8 | 4.9 | —8.8 | —6.6 |
| Percent unemployed | 6.2 | 5.5 | 7.4 | 7.0 | 7.8 | 6.6 | — | — | — | — |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

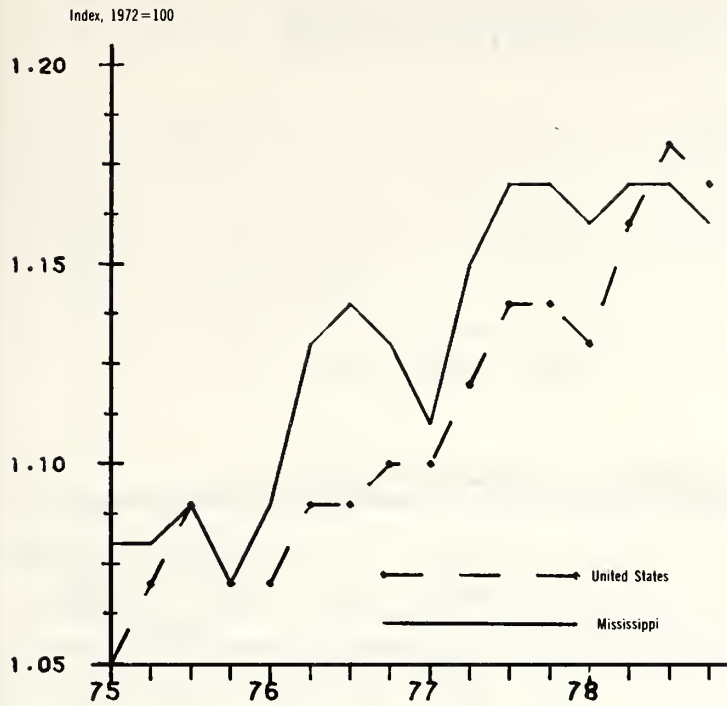


Chart 8.—Civilian Employment

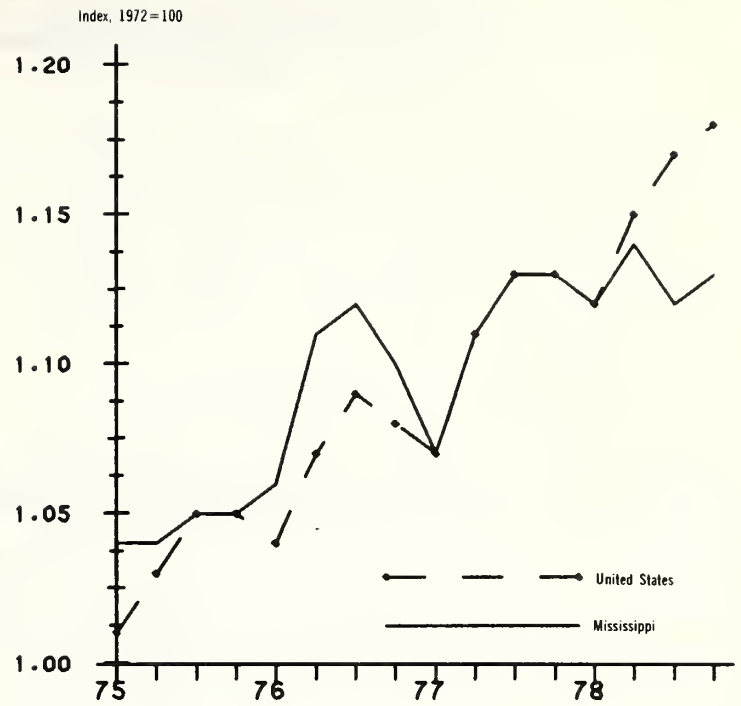


Chart 9.—Unemployment Rate

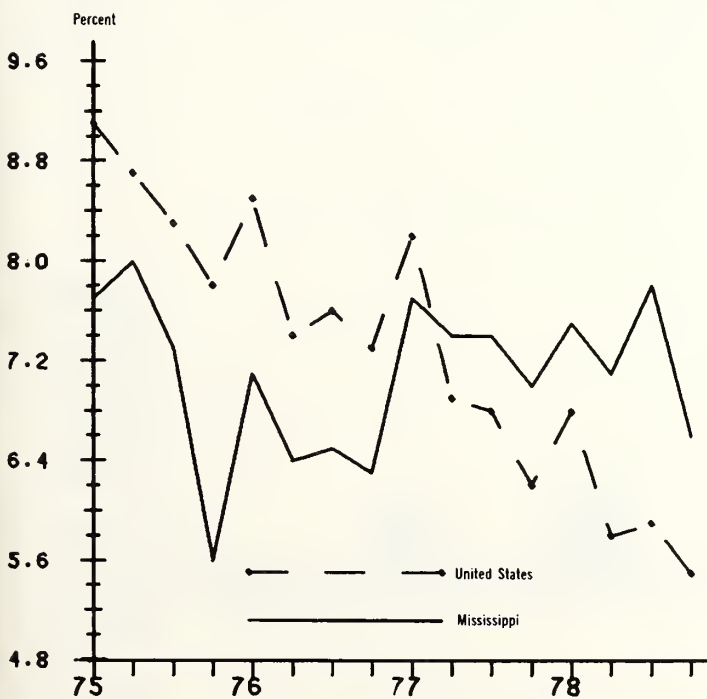
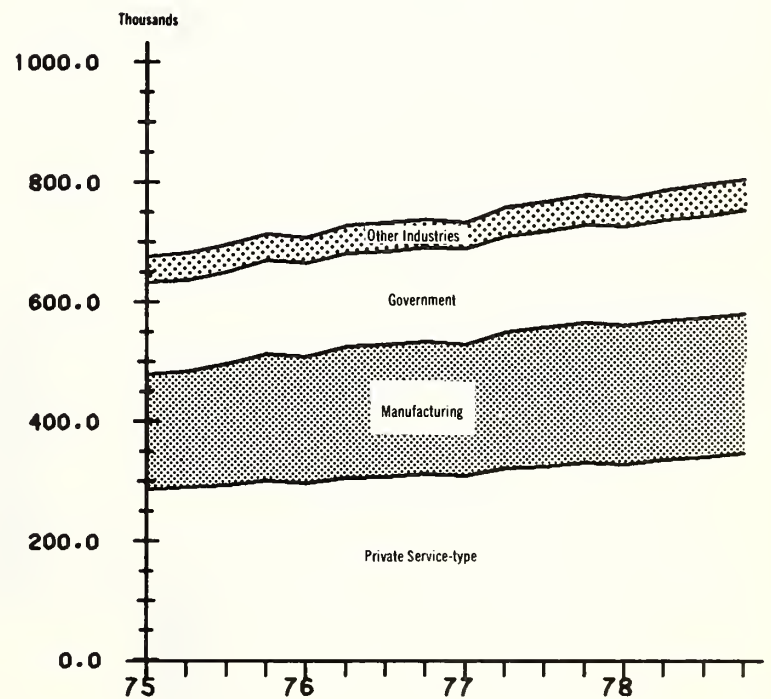


Chart 10.—Industrial Composition of Nonagricultural Employment: Mississippi



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Mississippi Through Fourth Quarter, 1978

| | United States | | | Mississippi | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|-------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 4,387 | 4,487 | 5,186 | n.a. | 16.3 | 18.2 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 1,016 | 1,035 | 1,099 | n.a. | 14.2 | 8.1 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 1,472 | 1,523 | 1,772 | n.a. | 20.2 | 20.4 | --- | --- |
| Real estate | 177,935 | n.a. | 1,336 | 1,406 | 1,709 | n.a. | 19.9 | 27.9 | --- | --- |
| Residential | 101,236 | n.a. | 515 | 549 | 720 | n.a. | 21.3 | 39.8 | --- | --- |
| Farms | 7,731 | n.a. | 222 | 226 | 227 | n.a. | 10.7 | 2.1 | --- | --- |
| Other | 68,968 | n.a. | 599 | 631 | 762 | n.a. | 19.0 | 27.2 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 327 | 285 | 332 | n.a. | 6.8 | 1.4 | --- | --- |
| Other | 69,947 | n.a. | 235 | 239 | 275 | n.a. | 8.0 | 16.7 | --- | --- |
| Total deposits | 925,511 | n.a. | 6,886 | 7,351 | 7,939 | n.a. | 11.5 | 15.3 | --- | --- |
| Demand | 377,683 | n.a. | 2,545 | 2,779 | 2,776 | n.a. | 10.2 | 9.1 | --- | --- |
| Time and savings | 547,828 | n.a. | 4,341 | 4,571 | 5,163 | n.a. | 12.3 | 18.9 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 5.8 percent (\$28.3 million), to \$514.3 million (table 6). The national percent increase was three times Mississippi's. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Mississippi sustained a real decline of about 7 percent versus a real increase in the Nation of about 4 percent.

Nonresidential contracts declined 50.3 percent in valuation, compared with a 15.8-percent increase nationally. Mississippi's decline was the largest State decline in the Nation, exceeded only by the District of Columbia's 55.2-percent decline. A \$50 million contract in 1977:IV for the construction of a grain elevator in Jackson County was partly responsible for raising the valuation of Mississippi's nonresidential contracts to an unusually high level in 1977:IV, thereby distorting the subsequent year-to-year change.

Nonbuilding contracts, in contrast, increased 44.3 percent in valuation

versus 22.2 percent nationally. A \$33.2 million contract in 1978:IV for the construction of naval docks in Itawamba County was mainly responsible for the State's year-to-year increase. If the docks contract is excluded, the valuation of nonbuilding contracts in the State would have increased only 7.8 percent. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 51.2 percent in the State and 16.3 percent nationally. Mississippi's decline was one of the largest in the Nation.

Residential housekeeping contracts increased 30.8 percent in valuation, twice as much as nationally. The number of dwelling units started increased 8.3 percent (452 units), to 5,875 units. Nationally, the number of dwelling units started was almost unchanged at a high level. The valuation of contracts for residential housekeeping additions and alterations increased more in Mississippi, 36.6 percent, than in any other State. Nationally, addition and alteration contracts increased 14.6 percent in valuation.

Chart 14.—Construction Contracts—Total Valuation

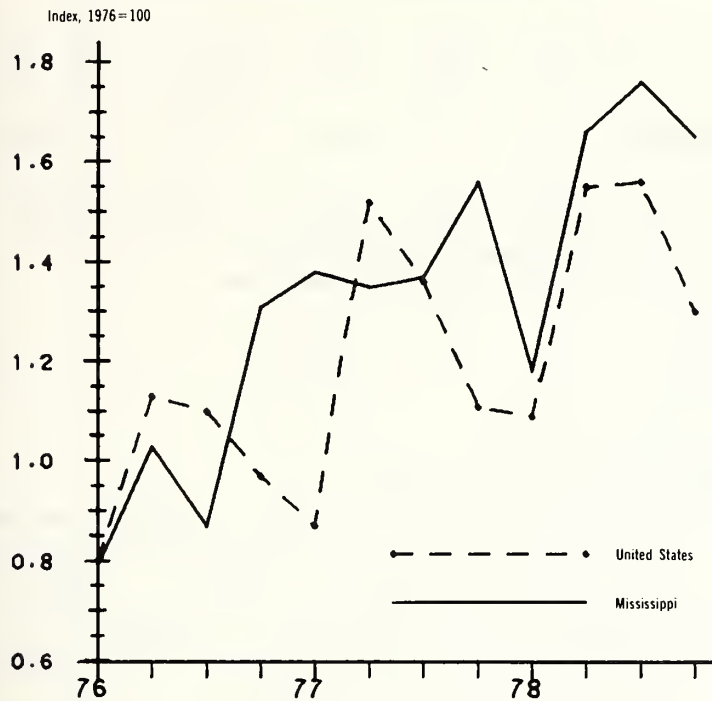


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Mississippi

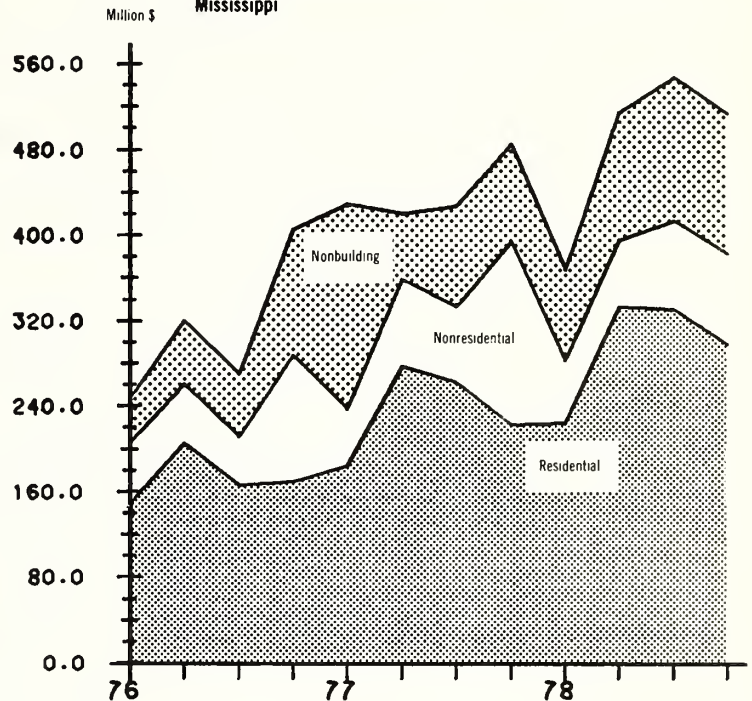


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

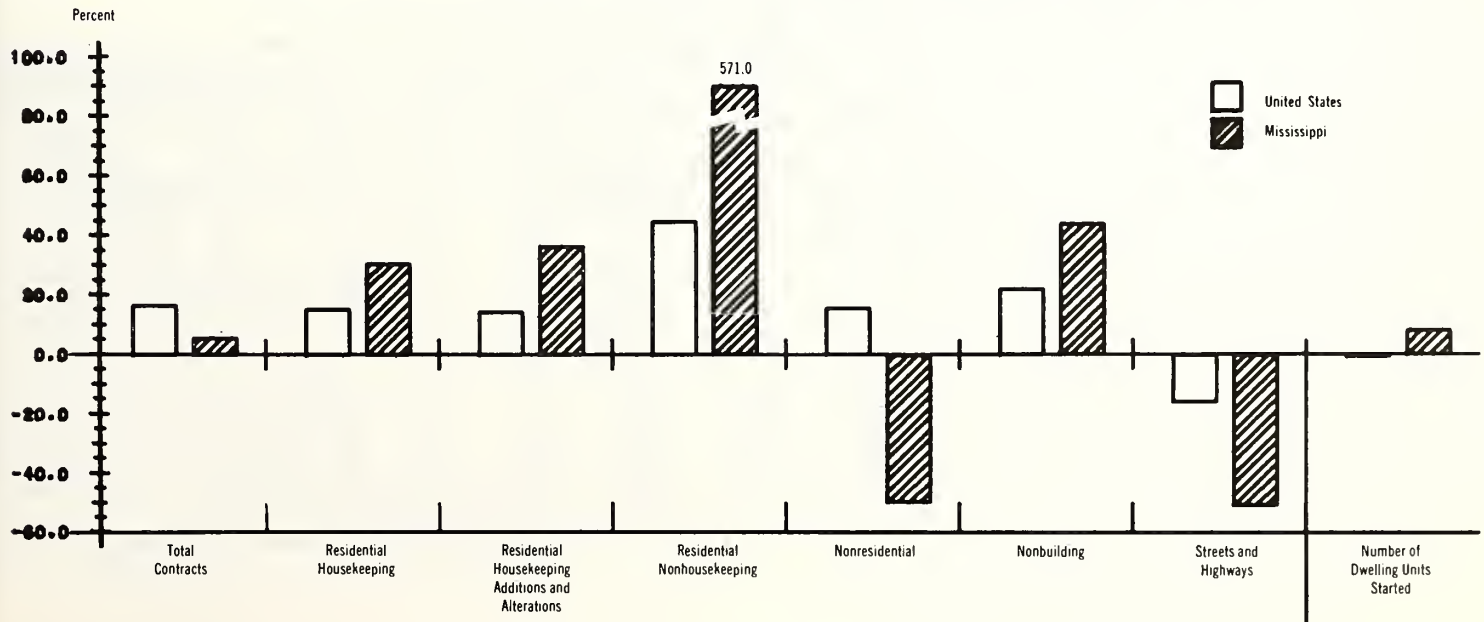


TABLE 6.—Construction Contracts, United States and Mississippi Through Fourth Quarter, 1978¹

| | United States | | | Mississippi | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|-------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 427,702 | 485,992 | 548,238 | 514,292 | 14.5 | 28.2 | 16.8 | 5.8 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 93,867 | 71,049 | 105,430 | 97,067 | 16.8 | 12.3 | 14.6 | 36.6 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 659 | 683 | 775 | 675 | 4.4 | 17.6 | -9.3 | -1.2 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 333,835 | 414,943 | 442,808 | 417,225 | 14.0 | 32.6 | 17.4 | .5 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 9,915 | 10,278 | 11,658 | 11,663 | 10.8 | 17.6 | 10.2 | 13.5 |
| Residential housekeeping | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 273 | 269 | 268 | 271 | -5.1 | -1.8 | -4.3 | .7 |
| Number of dwelling units | 445,772 | 443,075 | 5,826 | 5,423 | 6,560 | 5,875 | 1.0 | 12.6 | -.6 | 8.3 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 168,043 | 151,854 | 223,036 | 198,688 | 15.3 | 32.7 | 15.6 | 30.8 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 7,560 | 6,842 | 9,457 | 8,446 | 10.3 | 25.1 | 10.7 | 23.4 |
| Residential nonhousekeeping | | | | | | | | | | |
| Number of contracts | 507 | 505 | 4 | 2 | 4 | 3 | -10.0 | .0 | -.4 | 50.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 600 | 290 | 3,302 | 1,946 | 9.4 | 450.3 | 44.8 | 571.0 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 21 | 1 | 66 | 78 | -.7 | 214.3 | 24.7 | *** |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 206 | 251 | 243 | 194 | -2.5 | 18.0 | -12.0 | -22.7 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 70,662 | 171,918 | 82,718 | 85,439 | 27.6 | 17.1 | 15.8 | -50.3 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 2,334 | 3,436 | 2,136 | 3,139 | 12.2 | -8.5 | 8.9 | -8.6 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 176 | 161 | 260 | 207 | 22.4 | 47.7 | -9.1 | 28.6 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 94,530 | 90,881 | 133,752 | 131,152 | -.1 | 41.5 | 22.2 | 44.3 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 70 | 56 | 102 | 58 | 9.3 | 45.7 | -17.8 | 3.6 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 50,162 | 56,480 | 41,391 | 27,534 | 3.0 | -17.5 | -16.3 | -51.2 |

***Percent change greater than 999.9.

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
NDTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Mississippi are not available.

TABLE 7.—Retail Sales, United States and Mississippi Through Fourth Quarter, 1978

| | United States | | | Mississippi | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|-------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods..... | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Mississippi Through Fourth Quarter, 1978

| | United States | | | Mississippi | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|-------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 950 | 959 | 965 | n.a. | 8.2 | 1.6 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 3 | 6 | 5 | n.a. | -9.5 | 66.7 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 286 | 945 | 661 | n.a. | -44.2 | 131.1 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 95 | 158 | 132 | n.a. | -38.4 | 38.9 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 0 | 0 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 1 | 3 | 2 | n.a. | 1.0 | 100.0 | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 1 | 1 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 2 | 0 | 2 | n.a. | -4.2 | .0 | --- | --- |
| Commercial services | 238 | n.a. | 0 | 2 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NDTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

- Personal income** —Up 11.2%, 1.4 percentage points less than in U.S.
—Small increases in most major private industries and in government
- Consumer prices** —Up 9.5% in St. Louis and 8.4% in Kansas City vs. 8.9% in U.S.
- Employment** —Up 2.4% vs. 3.9% in U.S., to 2.1 million
- Unemployment** —Down 18,000, to 102,000
—Rate down to 4.5% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of contracts up 9.2% vs. 16.8% in U.S., to \$786 million
—Large gain in valuation of residential housekeeping contracts
—Number of dwelling-unit starts down 4.7% vs. little change in U.S., to 7,608
- Retail sales** —Up 13.7% vs. 11.2% in U.S., to \$5.1 billion

TABLE 1.—Summary of Economic Indicators, United States and Missouri Through Fourth Quarter, 1978

| | United States | | | Missouri | | | U.S. | State | U.S. | State |
|---|--|------------|----------|----------|-----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 32,427 | 33,618 | 35,978 | 37,367 | 12.4 | 11.0 | 12.6 | 11.2 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 21,290 | 21,731 | 23,230 | 23,940 | 12.1 | 9.1 | 12.6 | 10.2 |
| Civilian employment (thousands) | 92,442 | 96,010 | 2,112 | 2,097 | 2,150 | 2,147 | 4.1 | 1.8 | 3.9 | 2.4 |
| Unemployment (thousands) | 6,149 | 5,605 | 129 | 120 | 111 | 102 | −9.8 | −13.7 | −8.8 | −15.1 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 5.7 | 5.4 | 4.9 | 4.5 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 12,254 | 12,869 | 14,528 | n.a. | 16.3 | 18.6 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 19,050 | 21,286 | 21,402 | n.a. | 11.5 | 12.3 | --- | --- |
| Total valuation of construction contracts (thousands of dollars)..... | 38,913,111 | 45,459,773 | 942,493 | 720,125 | 1,100,250 | 786,498 | 14.5 | 16.7 | 16.8 | 9.2 |
| Dwelling units started (number) | 445,772 | 443,075 | 10,013 | 7,980 | 10,687 | 7,608 | 1.0 | 6.7 | −6 | −4.7 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 4,042 | 4,494 | 4,493 | 5,109 | 10.3 | 11.2 | 11.2 | 13.7 |
| New business incorporations (number)..... | 109,411 | n.a. | 1,907 | 1,828 | 2,081 | n.a. | 8.2 | 9.1 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 23 | 19 | 17 | n.a. | −9.5 | −26.1 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Kansas City..... | --- | --- | 180.6 | 182.7 | 194.3 | 198.1 | --- | 7.6 | --- | 8.4 |
| St. Louis | --- | --- | 179.1 | 180.5 | 192.8 | 197.6 | --- | 7.6 | --- | 9.5 |

n.a.: Data not available.
Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.2 percent from 1977:IV to 1978:IV, 1.4 percentage points less than in the Nation (table 2). Among all States, Missouri's increase ranked 37th. In 1978:IV, the State's personal income totaled \$37.4 billion, for an increase of \$3.7 billion since 1977:IV. Changes in most major income components were below those registered in corresponding components nationally.

Since the last national business cycle peak (1973:IV), Missouri's economy has increased slowly; the increase in nonfarm income was 5 percent less than nationally, ranking Missouri 38th among all States.

Consumer prices from 1977:IV to 1978:IV increased 8.4 percent in the Kansas City metropolitan area and 9.5 percent in St. Louis; in the Nation, prices increased 8.9 percent (table 3). If the average price increase in the two areas—9.0 percent—is used as an indicator for price

movements in the State, real total personal income in Missouri increased 2.2 percent from year to year versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 10.2 percent in the State versus 12.6 percent in the Nation. In 1978:IV, they totaled \$23.9 billion, increasing \$2.2 billion from year to year. Missouri's increase ranked 46th among all State increases.

Payrolls in the private service-type industry group increased 10.0 percent in Missouri versus 13.1 percent in the Nation. The increase in each component of the private service-type group was below that registered in the Nation. The lag was particularly pronounced in services—up 7.8 percent in Missouri versus 12.7 percent in the Nation. Construction payrolls increased 18.2 percent in the State and 20.1 percent in the Nation.

Manufacturing payrolls increased 13.4 percent in the State, about the same as in the Nation. Manufacturing payrolls accounted for 28.8 percent of all payrolls in the State in 1978:IV versus a national weight of 27.4 percent. Missouri's increase in durable goods payrolls was 16.8 percent versus 15.2 percent in the Nation. In contrast, nondurable goods payrolls increased 7.8 percent in the State and 10.0 percent in the Nation. In Missouri's economy, durable goods payrolls are about twice as important as nondurable goods payrolls.

Government payrolls increased 3.0 percent, an increase considerably less than one-half of that registered in the Nation. Weakness was evident in both Federal Government and State and local government payrolls.

With the State and national economies continuing to expand, State unemployment insurance benefits declined 35.9 percent in Missouri and 30.3 percent in the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]

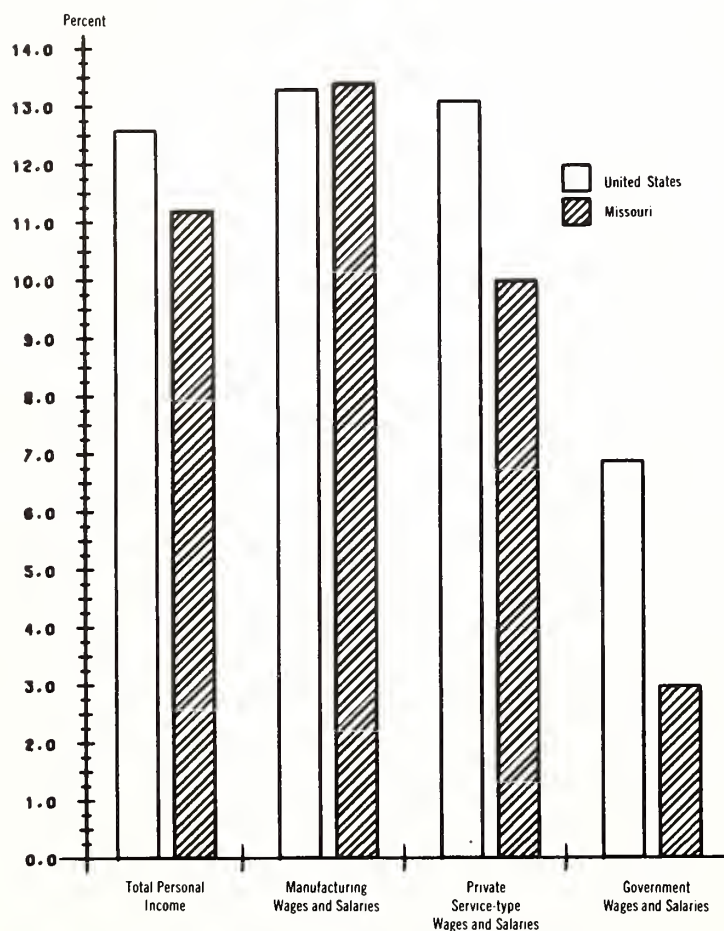


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

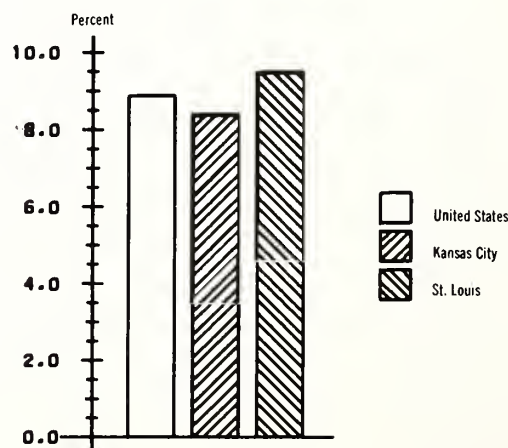


Chart 3.—Total Personal Income
[Seasonally adjusted]

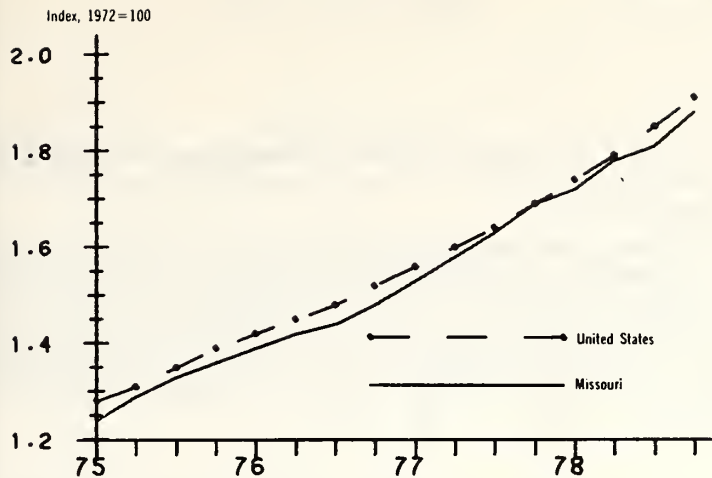


Chart 4.—Industrial Composition of Wages and Salaries: Missouri
[Seasonally adjusted]

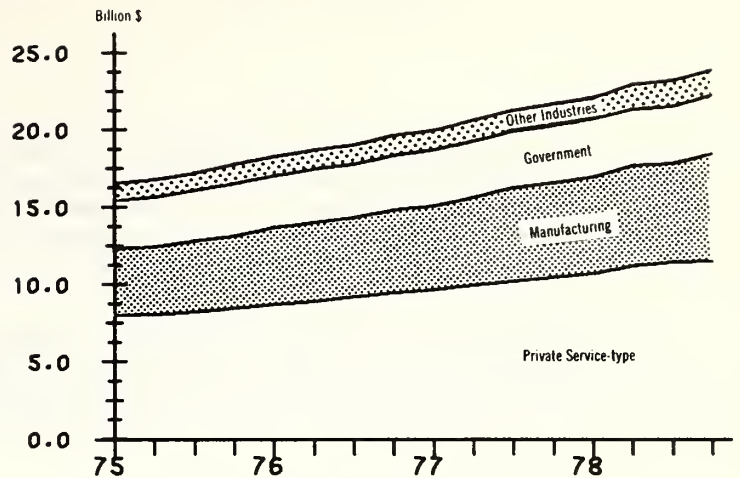


TABLE 2.—Personal Income, United States and Missouri Through Fourth Quarter, 1978

| | United States | | | Missouri | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 32,427 | 33,618 | 35,978 | 37,367 | 12.4 | 11.0 | 12.6 | 11.2 |
| Farm personal income | 31,224 | 39,451 | 720 | 1,186 | 1,110 | 1,501 | 47.9 | 54.2 | 26.3 | 26.5 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 31,707 | 32,431 | 34,868 | 35,867 | 11.9 | 10.0 | 12.3 | 10.6 |
| Total personal income | 1,583,508 | 1,782,519 | 32,427 | 33,618 | 35,978 | 37,367 | 12.4 | 11.0 | 12.6 | 11.2 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 21,290 | 21,731 | 23,230 | 23,940 | 12.1 | 9.1 | 12.6 | 10.2 |
| Other labor income | 96,016 | 111,719 | 2,053 | 2,128 | 2,330 | 2,431 | 17.0 | 13.5 | 16.4 | 14.3 |
| Proprietors' income | 105,953 | 125,995 | 2,504 | 3,014 | 3,141 | 3,594 | 21.5 | 25.4 | 18.9 | 19.2 |
| Farm | 23,636 | 31,044 | 643 | 1,112 | 1,033 | 1,420 | 66.6 | 60.6 | 31.3 | 27.8 |
| Nonfarm | 82,317 | 94,951 | 1,861 | 1,902 | 2,108 | 2,173 | 12.8 | 13.3 | 15.3 | 14.2 |
| Dividends, interest, and rent | 214,992 | 242,442 | 4,817 | 4,937 | 5,377 | 5,526 | 12.3 | 11.6 | 12.8 | 12.0 |
| Transfer payments | 215,944 | 233,750 | 4,500 | 4,595 | 4,914 | 4,974 | 8.8 | 9.2 | 8.2 | 8.2 |
| State unemployment insurance benefits | 11,128 | 7,753 | 165 | 179 | 133 | 115 | -24.0 | -19.0 | -30.3 | -35.9 |
| Less: personal contributions | 62,212 | 71,610 | 1,321 | 1,341 | 1,482 | 1,511 | 14.8 | 12.2 | 15.1 | 12.7 |
| Plus: residence adjustment | -401 | -473 | -1,416 | -1,445 | -1,531 | -1,587 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 21,290 | 21,731 | 23,230 | 23,940 | 12.1 | 9.1 | 12.6 | 10.2 |
| Farm | 7,176 | 7,939 | 74 | 72 | 74 | 77 | 8.5 | .5 | 10.6 | 7.3 |
| Nonfarm | 1,006,040 | 1,132,757 | 21,216 | 21,659 | 23,156 | 23,863 | 12.1 | 9.1 | 12.6 | 10.2 |
| Mining | 14,048 | 18,813 | 131 | 135 | 145 | 148 | 26.5 | 10.8 | 33.9 | 9.6 |
| Construction | 55,648 | 66,858 | 1,098 | 1,150 | 1,371 | 1,359 | 19.1 | 24.9 | 20.1 | 18.2 |
| Manufacturing | 276,112 | 312,970 | 6,002 | 6,085 | 6,396 | 6,898 | 12.1 | 6.6 | 13.3 | 13.4 |
| Durable goods | 176,216 | 203,053 | 3,734 | 3,779 | 3,953 | 4,413 | 13.7 | 5.9 | 15.2 | 16.8 |
| Nondurable goods | 99,896 | 109,917 | 2,268 | 2,306 | 2,443 | 2,485 | 9.4 | 7.7 | 10.0 | 7.8 |
| Private service-type | 455,764 | 515,348 | 10,280 | 10,523 | 11,472 | 11,572 | 12.8 | 11.6 | 13.1 | 10.0 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 2,124 | 2,204 | 2,347 | 2,415 | 10.4 | 10.5 | 11.3 | 9.6 |
| Wholesale and retail trade | 170,888 | 195,035 | 3,980 | 4,054 | 4,496 | 4,517 | 13.6 | 13.0 | 14.1 | 11.4 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 1,053 | 1,089 | 1,217 | 1,217 | 14.1 | 15.5 | 13.2 | 11.7 |
| Services | 153,840 | 173,396 | 3,123 | 3,176 | 3,412 | 3,424 | 12.6 | 9.3 | 12.7 | 7.8 |
| Government | 201,252 | 215,083 | 3,660 | 3,720 | 3,718 | 3,832 | 7.4 | 1.6 | 6.9 | 3.0 |
| Federal | 68,176 | 73,003 | 1,338 | 1,373 | 1,381 | 1,426 | 7.3 | 3.2 | 7.1 | 3.8 |
| State and local | 133,076 | 142,080 | 2,322 | 2,347 | 2,337 | 2,406 | 7.5 | .6 | 6.8 | 2.5 |
| Other | 3,216 | 3,685 | 45 | 46 | 54 | 53 | 18.7 | 19.7 | 14.6 | 15.0 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Missouri Through Fourth Quarter, 1978¹

| | United States | | | Missouri | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|----------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Kansas City | --- | --- | 180.6 | 182.7 | 194.3 | 198.1 | --- | 7.6 | --- | 8.4 |
| St. Louis..... | --- | --- | 179.1 | 180.5 | 192.8 | 197.6 | --- | 7.6 | --- | 9.6 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Missouri's **civilian labor force** increased only 1.4 percent, 1.7 percentage points less than in the Nation (table 4). Among all States, Missouri's increase was one of the smallest. **Total employment** in the State increased 2.4 percent, 1.5 percentage points less than in the Nation, to 2.1 million. Again, Missouri's increase was one of the smallest in the Nation.

With total employment increasing 50,000 and the labor force increasing 32,000, **unemployment** declined 18,000, to 102,000. In 1978:IV, Missouri's **unemployment rate** was 4.5 percent, the highest rate in the Plains region but 1.0 percentage point less than the national rate. Only

12 States had lower rates. Missouri's unemployment rate declined 0.9 percentage point from year to year versus a U.S. decline that was fractionally less.

In December 1978, the preliminary unemployment rate in Missouri was 4.7 percent. Rates in major metropolitan areas of the State were 3.8 percent in Kansas City, 3.9 percent in Springfield, 4.9 percent in St. Louis, and 5.1 percent in St. Joseph. From December 1977 to December 1978, the preliminary unemployment rate declined 1.0 percentage point in the State and 1.4 percentage points in both Kansas City and St. Louis.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Missouri

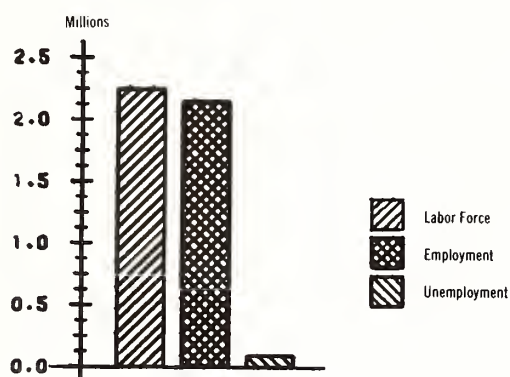


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

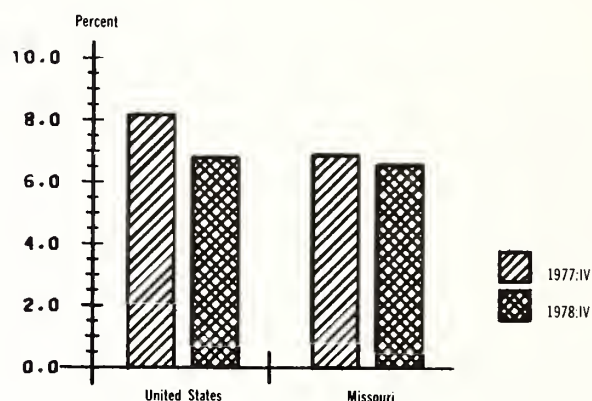


TABLE 4.—Labor Force, United States and Missouri Through Fourth Quarter, 1978

| | United States | | | Missouri | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,887 | 1,908 | 1,923 | 1,931 | 4.3 | 1.9 | 4.2 | 1.2 |
| Mining | 787 | 899 | 9 | 9 | 8 | 8 | 8.2 | -7.0 | 14.2 | -8.1 |
| Construction | 4,032 | 4,488 | 87 | 83 | 91 | 83 | 10.4 | 5.5 | 11.3 | .0 |
| Manufacturing | 19,986 | 20,722 | 446 | 449 | 452 | 458 | 3.1 | 1.4 | 3.7 | 1.9 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 132 | 133 | 135 | 136 | 3.8 | 2.0 | 4.4 | 2.4 |
| Wholesale and retail trade | 19,152 | 20,015 | 453 | 459 | 468 | 468 | 5.3 | 3.2 | 4.5 | 2.0 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 101 | 99 | 104 | 103 | 4.8 | 3.6 | -2.0 | 3.4 |
| Services | 15,539 | 16,215 | 353 | 342 | 356 | 348 | 4.6 | .9 | 4.4 | 1.5 |
| Government | 15,434 | 15,656 | 307 | 334 | 308 | 330 | 2.1 | .5 | 1.4 | -1.2 |
| Civilian labor force ³ | 98,591 | 101,615 | 2,241 | 2,217 | 2,261 | 2,249 | 3.2 | .9 | 3.1 | 1.4 |
| Total employed | 92,442 | 96,010 | 2,112 | 2,097 | 2,150 | 2,147 | 4.1 | 1.8 | 3.9 | 2.4 |
| Total unemployed | 6,149 | 5,605 | 129 | 120 | 111 | 102 | -9.8 | -13.7 | -8.8 | -15.1 |
| Percent unemployed | 6.2 | 5.5 | 5.7 | 5.4 | 4.9 | 4.5 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

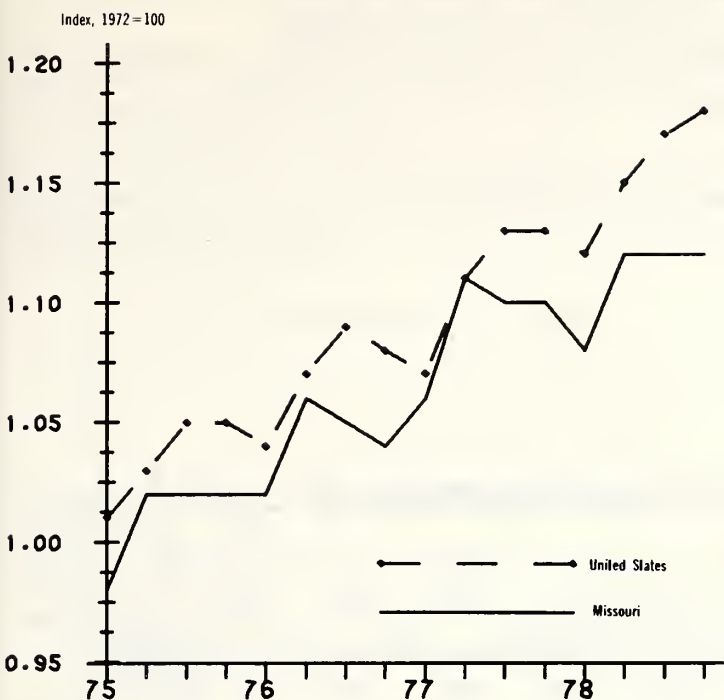


Chart 8.—Civilian Employment

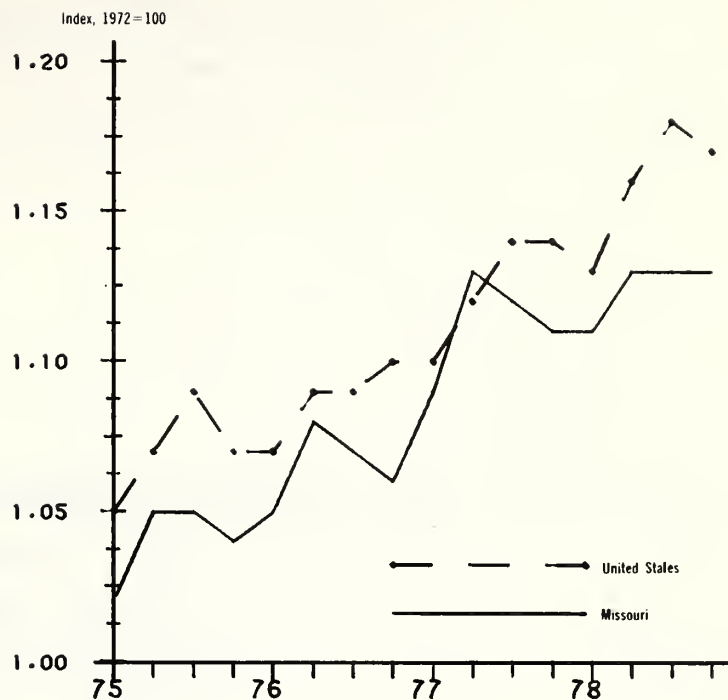


Chart 9.—Unemployment Rate

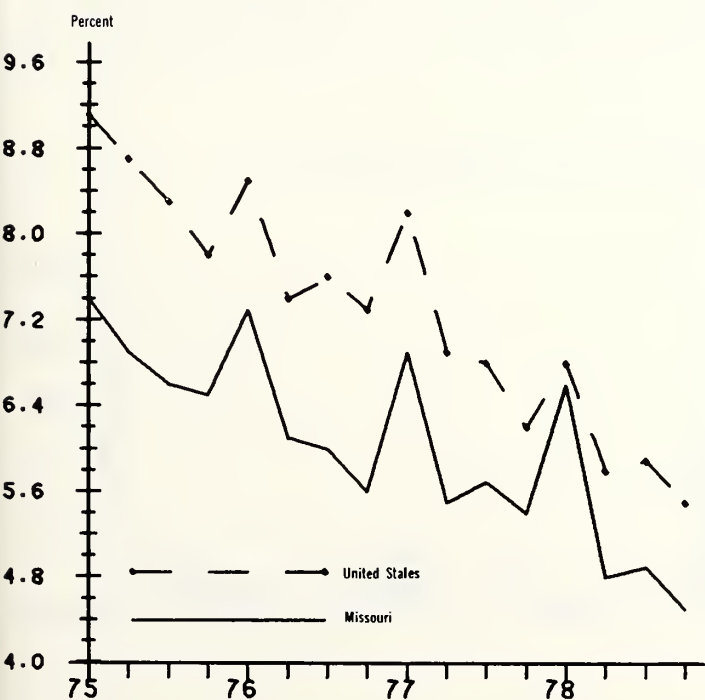
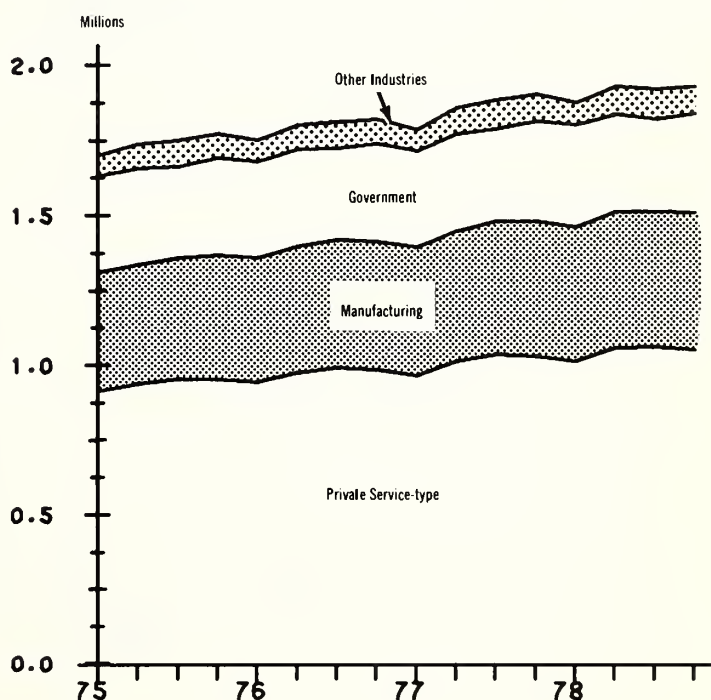


Chart 10.—Industrial Composition of Nonagricultural Employment: Missouri



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Missouri Through Fourth Quarter, 1978

| | United States | | | | | | Missouri | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|------|---------------------|------|-------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | | | | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | | | | |
| Total loans | 610,502 | n.a. | 12,254 | 12,869 | 14,528 | n.a. | 16.3 | 18.6 | --- | --- | | | |
| Commercial and industrial | 196,317 | n.a. | 3,384 | 3,513 | 3,910 | n.a. | 14.2 | 15.5 | --- | --- | | | |
| Loans to individuals | 140,599 | n.a. | 3,110 | 3,238 | 3,662 | n.a. | 20.2 | 17.7 | --- | --- | | | |
| Real estate | 177,935 | n.a. | 3,865 | 4,082 | 4,820 | n.a. | 19.9 | 24.7 | --- | --- | | | |
| Residential..... | 101,236 | n.a. | 1,958 | 2,064 | 2,465 | n.a. | 21.3 | 25.8 | --- | --- | | | |
| Farms..... | 7,731 | n.a. | 448 | 461 | 517 | n.a. | 10.7 | 15.4 | --- | --- | | | |
| Other | 68,968 | n.a. | 1,459 | 1,558 | 1,839 | n.a. | 19.0 | 26.1 | --- | --- | | | |
| Farms, excluding real estate | 25,704 | n.a. | 995 | 997 | 1,100 | n.a. | 6.8 | 10.6 | --- | --- | | | |
| Other..... | 69,947 | n.a. | 899 | 1,040 | 1,036 | n.a. | 8.0 | 15.2 | --- | --- | | | |
| Total deposits | 925,511 | n.a. | 19,050 | 21,286 | 21,402 | n.a. | 11.5 | 12.3 | --- | --- | | | |
| Demand | 377,683 | n.a. | 7,476 | 9,273 | 8,296 | n.a. | 10.2 | 11.0 | --- | --- | | | |
| Time and savings | 547,828 | n.a. | 11,574 | 12,013 | 13,106 | n.a. | 12.3 | 13.2 | --- | --- | | | |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 9.2 percent in Missouri and 16.8 percent in the Nation (table 6). In 1978:IV, contracts in the State totaled \$786 million, for an increase over the year of \$67 million. Residential housekeeping was the only major construction market that was stronger in Missouri than in the Nation.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Missouri, the real valuation of construction contracts declined about 4 percent in the State, compared with a 4-percent increase nationally.

Much of the relative weakness in the State is traceable to contracts for additions and alterations to residential housekeeping units. The State registered an increase in valuation of only 4.6 percent, 10.0 percentage points less than in the Nation.

Nonresidential contracts declined 8.1 percent in valuation in Missouri versus an increase of 15.8 percent in the Nation.

The valuation of nonbuilding contracts increased 15.8 percent in Missouri and 22.2 percent in the Nation. The valuation of street and highway contracts—a major component of nonbuilding contracts—declined 20.5 percent in Missouri and 16.3 percent in the Nation.

Contracts for residential housekeeping units increased 19.0 percent in valuation in Missouri, exceeding the national average increase by 3.4 percentage points. In contrast, the number of dwelling units started in the State declined 4.7 percent (372 units), to 7,608 units. In the Nation, the number of dwelling units started was virtually unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

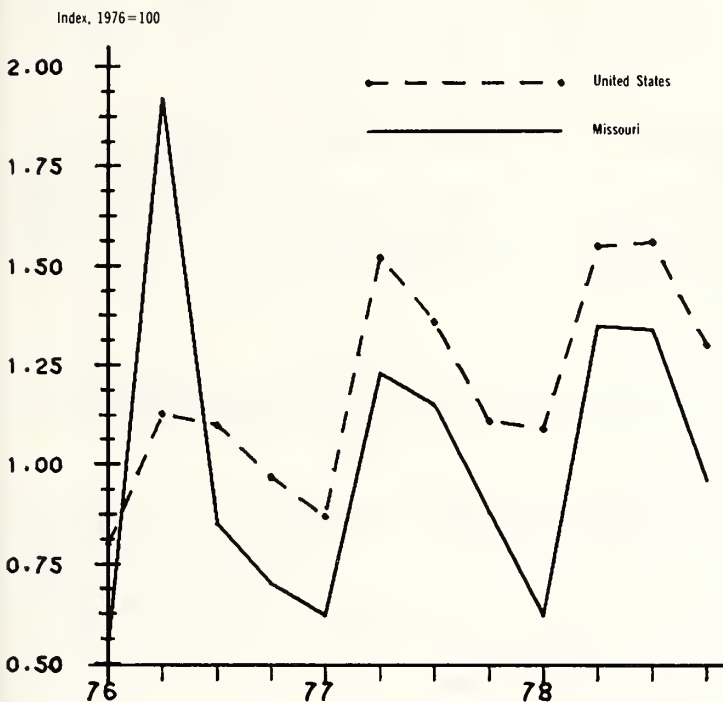


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Missouri

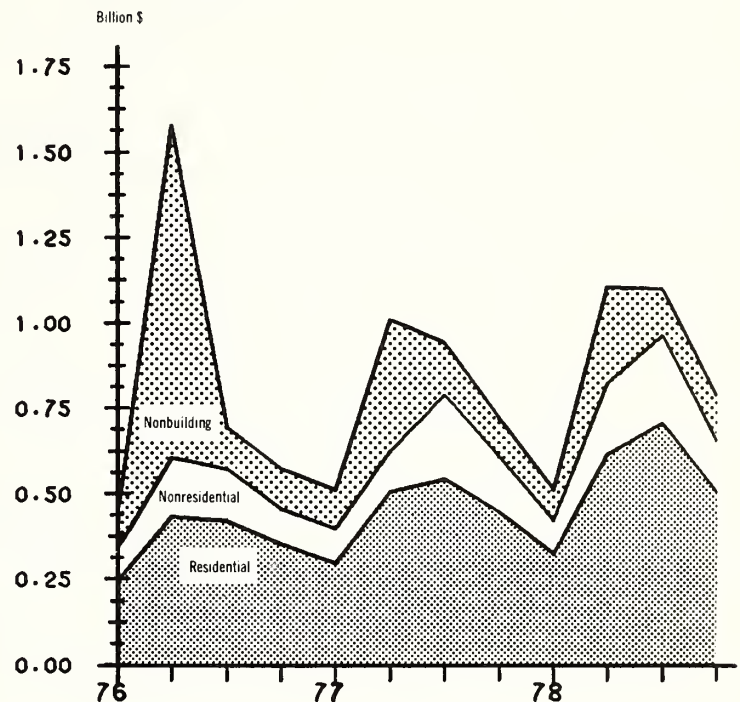


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

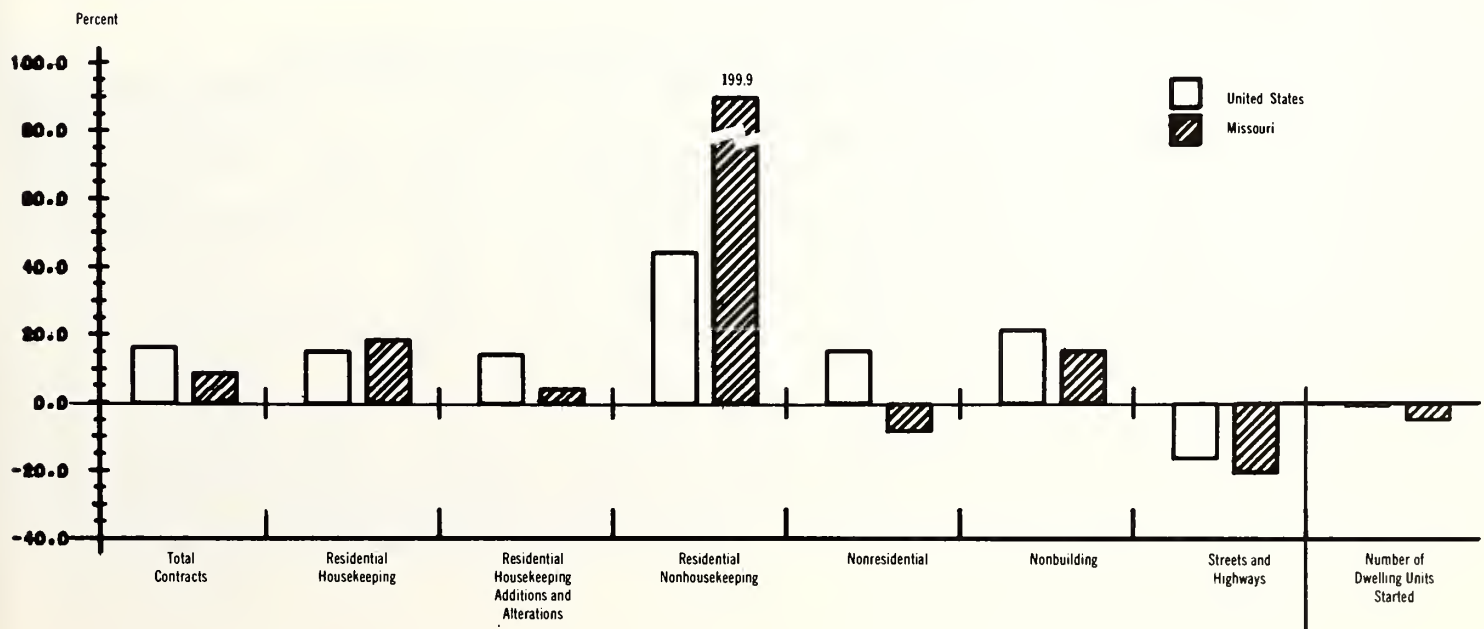


TABLE 6.—Construction Contracts, United States and Missouri Through Fourth Quarter, 1978¹

| | United States | | | Missouri | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|----------------|----------------|------------------|----------------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 942,493 | 720,125 | 1,100,250 | 786,498 | 14.5 | 16.7 | 16.8 | 9.2 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 230,673 | 192,900 | 244,804 | 201,852 | 16.8 | 6.1 | 14.6 | 4.6 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,375 | 1,271 | 1,336 | 1,172 | 4.4 | -2.8 | -9.3 | -7.8 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 711,820 | 527,225 | 855,446 | 584,646 | 14.0 | 20.2 | 17.4 | 10.9 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 19,538 | 14,115 | 21,427 | 14,426 | 10.8 | 9.7 | 10.2 | 2.2 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 418 | 436 | 417 | 411 | -5.1 | -2 | -4.3 | -5.7 |
| Number of dwelling units | 445,772 | 443,075 | 10,013 | 7,980 | 10,687 | 7,608 | 1.0 | 6.7 | -6 | -4.7 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 307,724 | 249,102 | 419,691 | 296,316 | 15.3 | 36.4 | 15.6 | 19.0 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 11,682 | 9,113 | 14,758 | 10,341 | 10.3 | 26.3 | 10.7 | 13.5 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 16 | 8 | 8 | 13 | -10.0 | -50.0 | -4 | 62.5 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 7,512 | 2,707 | 45,241 | 8,118 | 9.4 | 502.2 | 44.8 | 199.9 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 231 | 88 | 784 | 221 | -7 | 238.9 | 24.7 | 150.2 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 517 | 481 | 467 | 428 | -2.5 | -9.7 | -12.0 | -11.0 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 245,459 | 162,007 | 254,866 | 148,871 | 27.6 | 3.8 | 15.8 | -8.1 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 7,625 | 4,914 | 5,885 | 3,864 | 12.2 | -22.8 | 8.9 | -21.4 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 424 | 346 | 444 | 320 | 22.4 | 4.7 | -9.1 | -7.5 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 151,125 | 113,409 | 135,648 | 131,341 | -1 | -10.2 | 22.2 | 15.8 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 120 | 161 | 125 | 93 | 9.3 | 4.2 | -17.8 | -42.2 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 57,928 | 53,669 | 53,178 | 42,647 | 3.0 | -8.2 | -16.3 | -20.5 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Missouri totaled \$5.1 billion in 1978:IV, up 13.7 percent increase (table 7). In 1978:IV, nondurable goods accounted for \$3.6 billion, and durable goods accounted for \$1.5 billion.

TABLE 7.—Retail Sales, United States and Missouri Through Fourth Quarter, 1978

| | United States | | | Missouri | | | U.S. | State | U.S. | State |
|---------------------------|--|----------------|--------------|--------------|--------------|--------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | 4,042 | 4,494 | 4,493 | 5,109 | 10.3 | 11.2 | 11.2 | 13.7 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 1,333 | 1,529 | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | 3,160 | 3,580 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Missouri Through Fourth Quarter, 1978

| | United States | | | Missouri | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------|--------------|--------------|--------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 1,907 | 1,828 | 2,081 | n.a. | 8.2 | 9.1 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 23 | 19 | 17 | n.a. | -9.5 | -26.1 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 3,353 | 6,038 | 2,273 | n.a. | -44.2 | -32.2 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 146 | 318 | 134 | n.a. | -38.4 | -8.2 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 3 | 2 | 3 | n.a. | -10.1 | .0 | --- | --- |
| Construction | 319 | n.a. | 5 | 2 | 4 | n.a. | 1.0 | -20.0 | --- | --- |
| Wholesale trade | 191 | n.a. | 1 | 3 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 9 | 7 | 9 | n.a. | -4.2 | .0 | --- | --- |
| Commercial services | 238 | n.a. | 5 | 5 | 1 | n.a. | -24.0 | -80.0 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|---|
| Personal income | —Up 22.5% vs. 12.6% in U.S., to \$6.1 billion —Farm personal income up 177.5% vs. 26.3% in U.S. —Payrolls down slightly in durables manufacturing and Federal Government vs. U.S. increases |
| Employment | —Up 5.2% vs. 3.9% in U.S., to 339,000 |
| Unemployment | —Down 2,000, to 18,000 —Rate down to 5.1% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 1.7% vs. 16.8% in U.S., to \$143.3 million —Valuation of nonresidential contracts down 43.2% vs. 15.8% increase in U.S. —Number of dwelling-unit starts down 3.6% vs. near stability in U.S., to 1,773 |

TABLE 1.—Summary of Economic Indicators, United States and Montana Through Fourth Quarter, 1978

| | United States | | | Montana | | | U.S. | State | U.S. | State |
|--|--|------------|----------|---------|----------|---------|-----------------------|-------|----------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:III | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 4,656 | 4,955 | 5,592 | 6,071 | 12.4 | 20.1 | 12.6 | 22.5 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 2,807 | 2,876 | 3,169 | 3,247 | 12.1 | 12.9 | 12.6 | 12.9 |
| Civilian employment (thousands) | 92,442 | 96,010 | 343 | 322 | 356 | 339 | 4.1 | 4.5 | 3.9 | 5.2 |
| Unemployment (thousands) | 6,149 | 5,605 | 21 | 20 | 20 | 18 | -9.8 | -5.2 | -8.8 | -8.5 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 5.7 | 5.8 | 5.2 | 5.1 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 2,392 | 2,462 | 2,790 | n.a. | 16.3 | 16.7 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 3,411 | 3,600 | 3,750 | n.a. | 11.5 | 10.0 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 156,417 | 140,976 | 219,364 | 143,343 | 14.5 | 40.2 | 16.8 | 1.7 |
| Dwelling units started (number) | 445,772 | 443,075 | 1,737 | 1,839 | 2,325 | 1,773 | 1.0 | 33.9 | -6 | -3.6 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 338 | 348 | 320 | n.a. | 8.2 | -5.3 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 5 | 8 | 7 | n.a. | -9.5 | 40.0 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

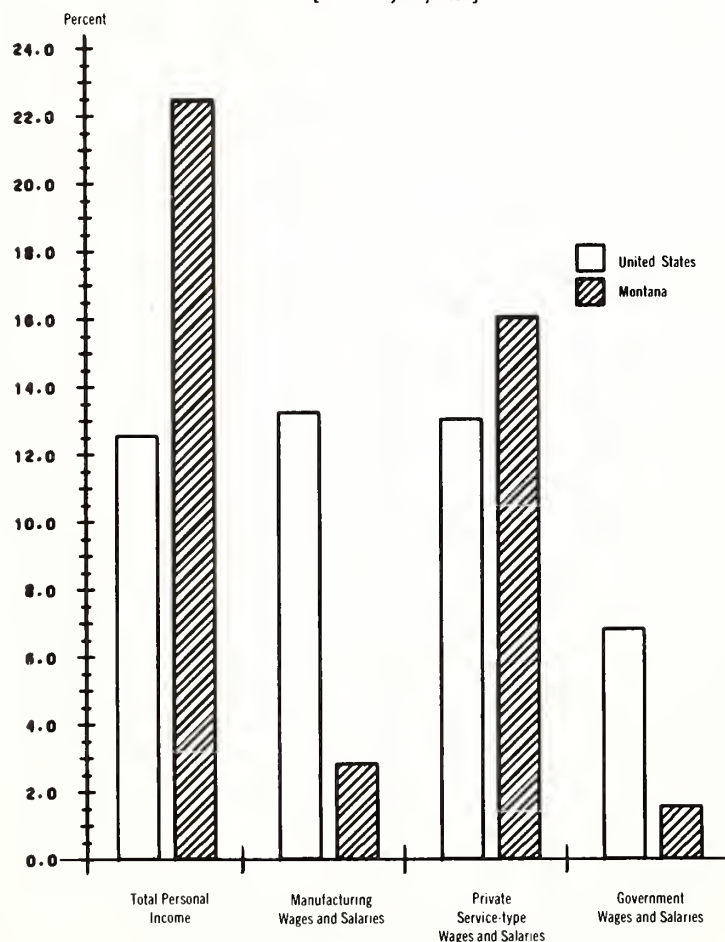
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 22.5 percent from 1977:IV to 1978:IV, almost 10 percentage points more than nationally (table 2). Montana's increase was the third largest in the Nation, after increases of 25.6 percent in Wyoming and 23.9 percent in North Dakota. In 1978:IV, Montana's personal income totaled \$6.1 billion, up \$1.1 billion since 1977:IV. Montana's increase in total personal income would have been considerably smaller had it not been for a 177.5-percent increase in farm personal income, the second largest increase in the Nation after Wyoming's. Nationally, farm personal income increased 26.3 percent. Montana's nonfarm personal income increased 12.6 percent from year to year, compared with a 12.3-percent national gain. Since the most recent national business cycle peak in 1973:IV, Montana's nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 12 percent more than nationally, ranking Montana 22nd among all States.

Wage and salary disbursements (payrolls) from 1977:IV to 1978:IV increased 12.9 percent in the State versus 12.6 percent nationally. In 1978:IV, they totaled \$3.2 billion, up \$371 million since 1977:IV.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]



All components of Montana's private service-type industry group registered payroll increases that exceeded national counterparts. Payrolls in transportation-communication-public utilities increased 15.9 percent in the State versus 11.3 percent nationally. Montana's increase was one of the largest in the Nation. Similarly, Montana's 17.4-percent increase in finance-insurance-real estate payrolls was one of the largest in the Nation, comparing favorably with the national increase of 13.2 percent. Trade payrolls increased 17.8 percent in the State versus 14.1 percent nationally, and services payrolls increased 13.7 percent versus 12.7 percent nationally.

Construction payrolls increased 31.9 percent from year to year, over one-and-one-half times the national increase; Montana's increase ranked fourth in the Nation, after increases in Arizona, Nevada, and Hawaii. In the State's mining industry, payrolls increased 55.5 percent from year to year, compared with a 33.9-percent national increase; Montana's increase ranked fourth in the Nation.

In sharp contrast, Federal Government payrolls declined 1.9 percent in Montana versus a national increase of 7.1 percent; South Carolina was the only other State that registered a decline. State and local government payrolls increased 3.7 percent in the State, compared with a 6.8-percent national increase.

Durable goods manufacturing payrolls declined 0.6 percent from year to year versus a national increase of 15.2 percent. Only one other State—Alaska—registered a decline, as did the District of Columbia. In contrast, Montana's nondurable goods manufacturing payrolls increased 10.2 percent from year to year, slightly more than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 23.3 percent in Montana and 30.3 percent throughout the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

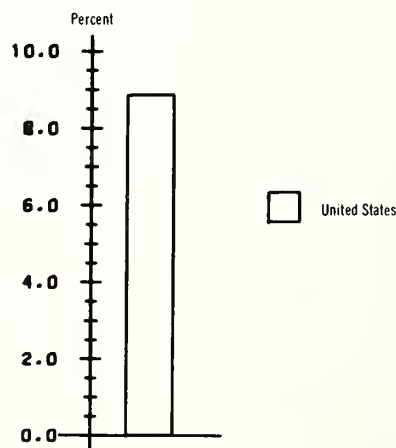


Chart 3.—Total Personal Income
[Seasonally adjusted]

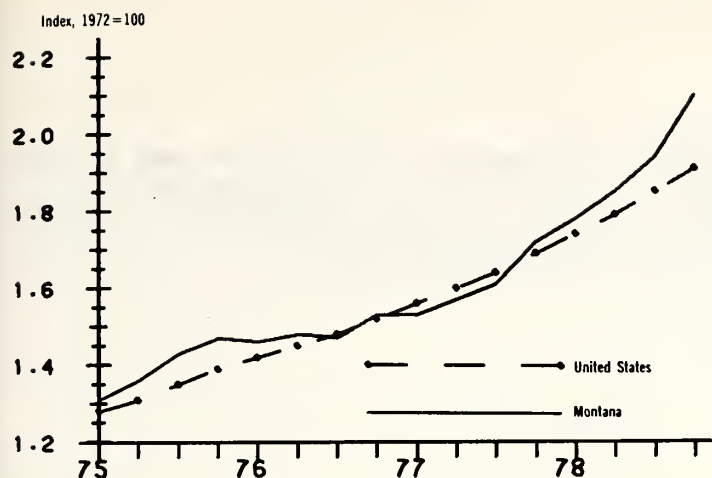


Chart 4.—Industrial Composition of Wages and Salaries: Montana
[Seasonally adjusted]

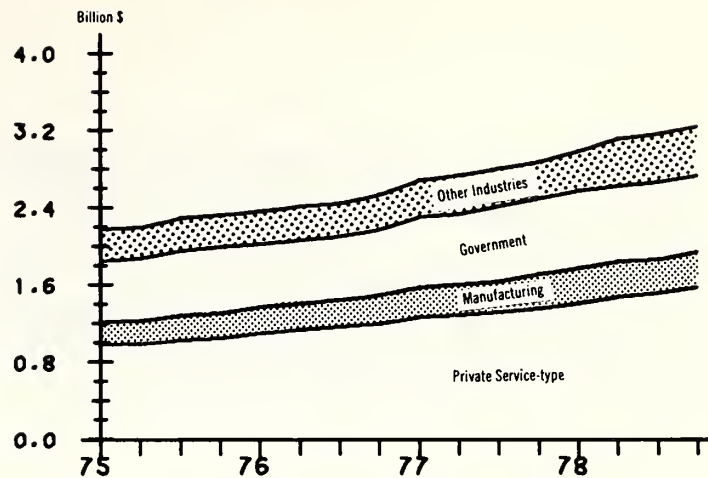


TABLE 2.—Personal Income, United States and Montana Through Fourth Quarter, 1978

| | United States | | | Montana | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 4,656 | 4,955 | 5,592 | 6,071 | 12.4 | 20.1 | 12.6 | 22.5 |
| Farm personal income | 31,224 | 39,451 | 101 | 298 | 472 | 826 | 47.9 | 368.5 | 26.3 | 177.5 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 4,555 | 4,657 | 5,120 | 5,245 | 11.9 | 12.4 | 12.3 | 12.6 |
| Total personal income | 1,583,508 | 1,782,519 | 4,656 | 4,955 | 5,592 | 6,071 | 12.4 | 20.1 | 12.6 | 22.5 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 2,807 | 2,876 | 3,169 | 3,247 | 12.1 | 12.9 | 12.6 | 12.9 |
| Other labor income | 96,016 | 111,719 | 235 | 248 | 285 | 294 | 17.0 | 21.1 | 16.4 | 18.7 |
| Proprietors' income | 105,953 | 125,995 | 385 | 581 | 800 | 1,168 | 21.5 | 107.7 | 18.9 | 101.0 |
| Farm | 23,636 | 31,044 | 38 | 234 | 406 | 758 | 66.6 | 970.1 | 31.3 | 223.3 |
| Nonfarm | 82,317 | 94,951 | 347 | 346 | 394 | 410 | 12.8 | 13.5 | 15.3 | 18.3 |
| Dividends, interest, and rent | 214,992 | 242,442 | 761 | 780 | 850 | 874 | 12.3 | 11.8 | 12.8 | 12.0 |
| Transfer payments | 215,944 | 233,750 | 675 | 686 | 736 | 743 | 8.8 | 8.9 | 8.2 | 8.3 |
| State unemployment insurance benefits | 11,128 | 7,753 | 36 | 35 | 31 | 27 | -24.0 | -13.7 | -30.3 | -23.3 |
| Less: personal contributions | 62,212 | 71,610 | 202 | 209 | 241 | 247 | 14.8 | 19.1 | 15.1 | 18.2 |
| Plus: residence adjustment | -401 | -473 | -5 | -5 | -6 | -6 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 2,807 | 2,876 | 3,169 | 3,247 | 12.1 | 12.9 | 12.6 | 12.9 |
| Farm | 7,176 | 7,939 | 62 | 62 | 65 | 67 | 8.5 | 5.1 | 10.6 | 8.2 |
| Nonfarm | 1,006,040 | 1,132,757 | 2,745 | 2,813 | 3,104 | 3,179 | 12.1 | 13.1 | 12.6 | 13.0 |
| Mining | 14,048 | 18,813 | 93 | 101 | 150 | 157 | 26.5 | 61.2 | 33.9 | 55.5 |
| Construction | 55,648 | 66,858 | 226 | 208 | 270 | 274 | 19.1 | 19.6 | 20.1 | 31.9 |
| Manufacturing | 276,112 | 312,970 | 318 | 355 | 358 | 366 | 12.1 | 12.3 | 13.3 | 2.9 |
| Durable goods | 176,216 | 203,053 | 213 | 241 | 235 | 240 | 13.7 | 10.3 | 15.2 | -6 |
| Nondurable goods | 99,896 | 109,917 | 106 | 114 | 123 | 126 | 9.4 | 16.4 | 10.0 | 10.2 |
| Private service-type | 455,764 | 515,348 | 1,318 | 1,363 | 1,515 | 1,583 | 12.8 | 15.0 | 13.1 | 16.1 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 314 | 319 | 348 | 370 | 10.4 | 10.8 | 11.3 | 15.9 |
| Wholesale and retail trade | 170,888 | 195,035 | 527 | 540 | 611 | 636 | 13.6 | 16.1 | 14.1 | 17.8 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 112 | 117 | 131 | 137 | 14.1 | 17.2 | 13.2 | 17.4 |
| Services | 153,840 | 173,396 | 365 | 387 | 425 | 440 | 12.6 | 16.3 | 12.7 | 13.7 |
| Government | 201,252 | 215,083 | 782 | 778 | 801 | 790 | 7.4 | 2.5 | 6.9 | 1.6 |
| Federal | 68,176 | 73,003 | 264 | 282 | 279 | 276 | 7.3 | 6.0 | 7.1 | -1.9 |
| State and local | 133,076 | 142,080 | 519 | 496 | 522 | 514 | 7.5 | .7 | 6.8 | 3.7 |
| Other | 3,216 | 3,685 | 8 | 9 | 10 | 10 | 18.7 | 19.8 | 14.6 | 13.0 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Montana Through Fourth Quarter, 1978¹

| | United States | | | Montana | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Montana's civilian labor force increased 4.4 percent versus 3.1 percent nationally (table 4). Total employment increased 5.2 percent versus 3.9 percent nationally, to 339,000.

With employment increasing by 17,000 and the labor force increasing by 15,000, the number of unemployed declined by 2,000, to 18,000. Montana's unemployment rate fell 0.7 percentage point, to 5.1 percent of the labor force. The national unemployment rate in 1978:IV was 5.5 percent, also down 0.7 percentage point from the 1977:IV level.

According to preliminary data for December 1978, when the State's unemployment rate was 5.8 percent, the unemployment rate was 7.1 percent in Great Falls and 4.4 percent in Billings. The Great Falls rate was 0.9 percentage point more than in December 1977, and the Billings rate was only 0.1 percentage point more.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Montana

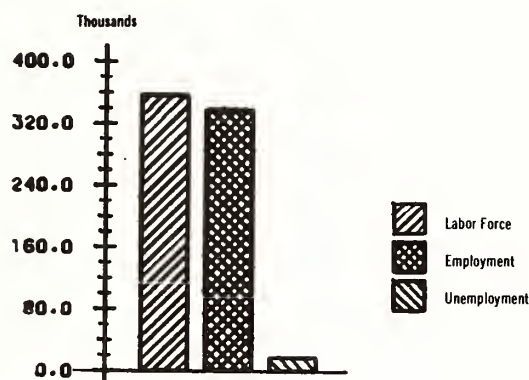


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

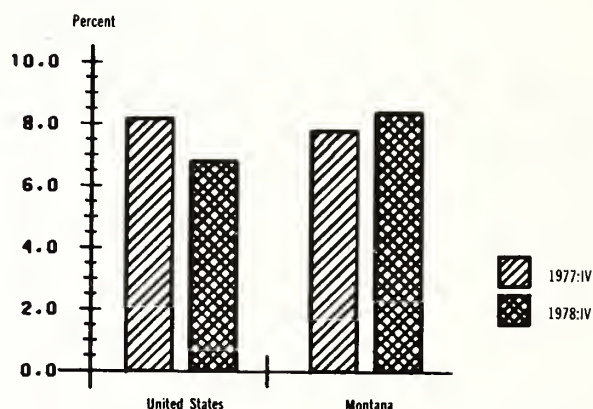


TABLE 4.—Labor Force, United States and Montana Through Fourth Quarter, 1978

| | United States | | | Montana | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 277 | 270 | 289 | 281 | 4.3 | 4.1 | 4.2 | 3.8 |
| Mining | 787 | 899 | 6 | 6 | 7 | 8 | 8.2 | 23.7 | 14.2 | 19.0 |
| Construction | 4,032 | 4,488 | 19 | 16 | 19 | 17 | 10.4 | 2.1 | 11.3 | 4.3 |
| Manufacturing | 19,986 | 20,722 | 26 | 26 | 27 | 26 | 3.1 | 5.4 | 3.7 | .8 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 21 | 21 | 22 | 23 | 3.8 | 7.2 | 4.4 | 9.7 |
| Wholesale and retail trade | 19,152 | 20,015 | 70 | 69 | 75 | 73 | 5.3 | 6.4 | 4.5 | 6.0 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 12 | 11 | 12 | 12 | 4.8 | 7.0 | -2.0 | 8.8 |
| Services | 15,539 | 16,215 | 52 | 49 | 55 | 52 | 4.6 | 5.8 | 4.4 | 5.7 |
| Government | 15,434 | 15,656 | 73 | 72 | 71 | 70 | 2.1 | -2.1 | 1.4 | -2.4 |
| Civilian labor force ³ | 98,591 | 101,615 | 364 | 342 | 378 | 357 | 3.2 | 3.9 | 3.1 | 4.4 |
| Total employed | 92,442 | 96,010 | 343 | 322 | 358 | 339 | 4.1 | 4.5 | 3.9 | 5.2 |
| Total unemployed | 6,149 | 5,605 | 21 | 20 | 20 | 18 | -9.8 | -5.2 | -8.8 | -8.5 |
| Percent unemployed | 6.2 | 5.5 | 5.7 | 5.8 | 5.2 | 5.1 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

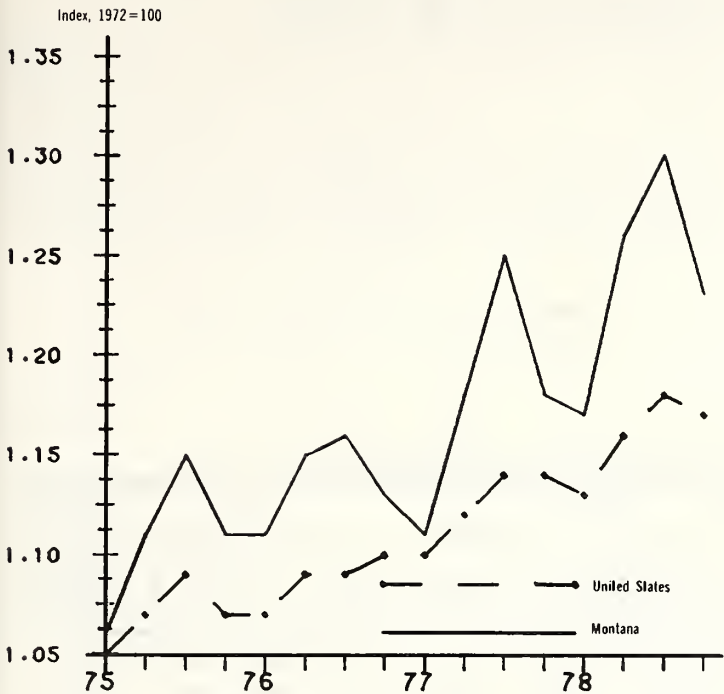


Chart 8.—Civilian Employment

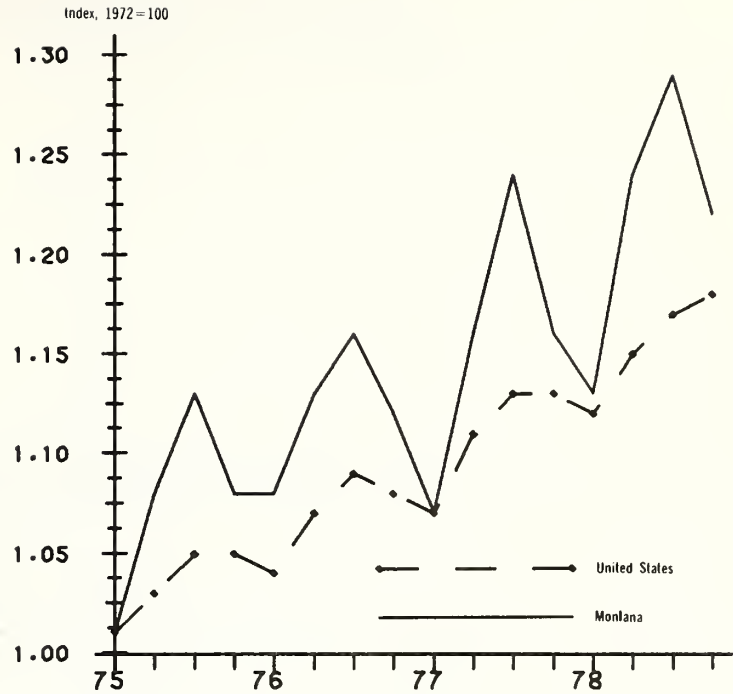


Chart 9.—Unemployment Rate

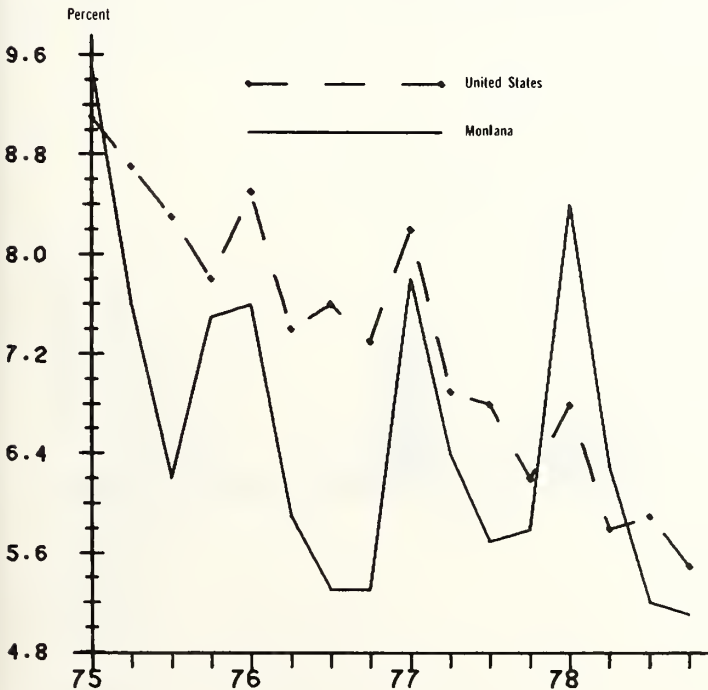
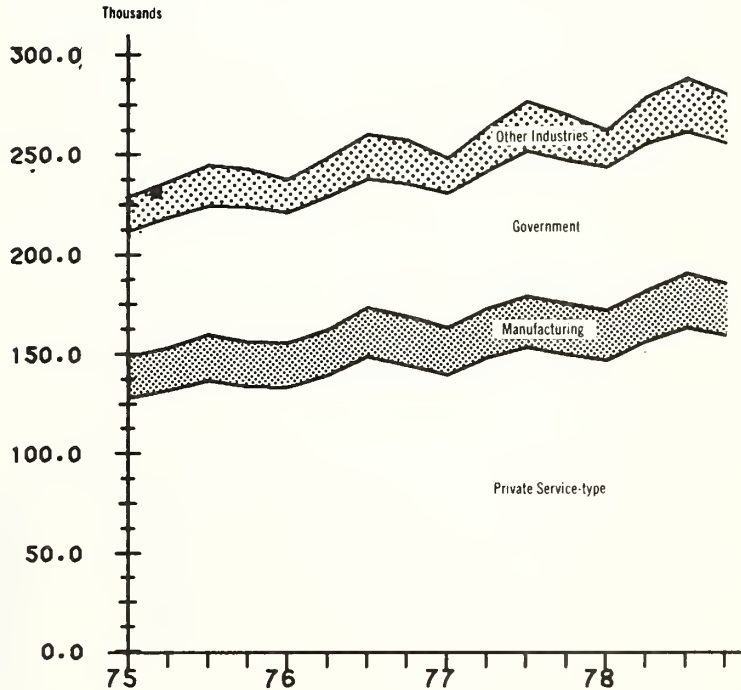


Chart 10.—Industrial Composition of Nonagricultural Employment: Montana



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Montana Through Fourth Quarter, 1978

| | United States | | | Montana | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 2,392 | 2,462 | 2,790 | n.a. | 16.3 | 16.7 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 573 | 596 | 685 | n.a. | 14.2 | 19.6 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 662 | 697 | 799 | n.a. | 20.2 | 20.6 | --- | --- |
| Real estate | 177,935 | n.a. | 643 | 665 | 763 | n.a. | 19.9 | 18.8 | --- | --- |
| Residential | 101,236 | n.a. | 427 | 441 | 502 | n.a. | 21.3 | 17.4 | --- | --- |
| Farms | 7,731 | n.a. | 26 | 28 | 31 | n.a. | 10.7 | 19.0 | --- | --- |
| Other | 68,968 | n.a. | 190 | 195 | 231 | n.a. | 19.0 | 21.7 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 471 | 464 | 502 | n.a. | 6.8 | 6.6 | --- | --- |
| Other | 69,947 | n.a. | 43 | 41 | 41 | n.a. | 8.0 | -4.0 | --- | --- |
| Total deposits | 925,511 | n.a. | 3,411 | 3,600 | 3,750 | n.a. | 11.5 | 10.0 | --- | --- |
| Demand | 377,683 | n.a. | 1,098 | 1,225 | 1,206 | n.a. | 10.2 | 9.9 | --- | --- |
| Time and savings | 547,828 | n.a. | 2,313 | 2,375 | 2,544 | n.a. | 12.3 | 10.0 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased only 1.7 percent (\$2.4 million), to \$143.3 million (table 6). Thirty-nine States registered larger increases. The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Montana sustained a real decline of about 11 percent versus a real increase in the Nation of about 4 percent.

Nonresidential contracts declined 43.2 percent in valuation versus a 15.8-percent national increase. Montana's decline was exceeded only in Mississippi and the District of Columbia, which registered 50.3-percent and 55.2-percent declines, respectively.

The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 38.7 percent versus a 16.3-percent decline nationally. Total nonbuilding contracts increased 10.7 percent in valuation versus 22.2 percent nationally.

Residential housekeeping contracts increased 42.2 percent in valuation, compared with a 15.6-percent national increase. The number of dwelling units started, in contrast, declined 3.6 percent, to 1,773 units. Nationally, the number of dwelling units started was almost unchanged at a high level. The valuation of residential housekeeping additions and alterations increased 19.5 percent in Montana versus 14.6 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

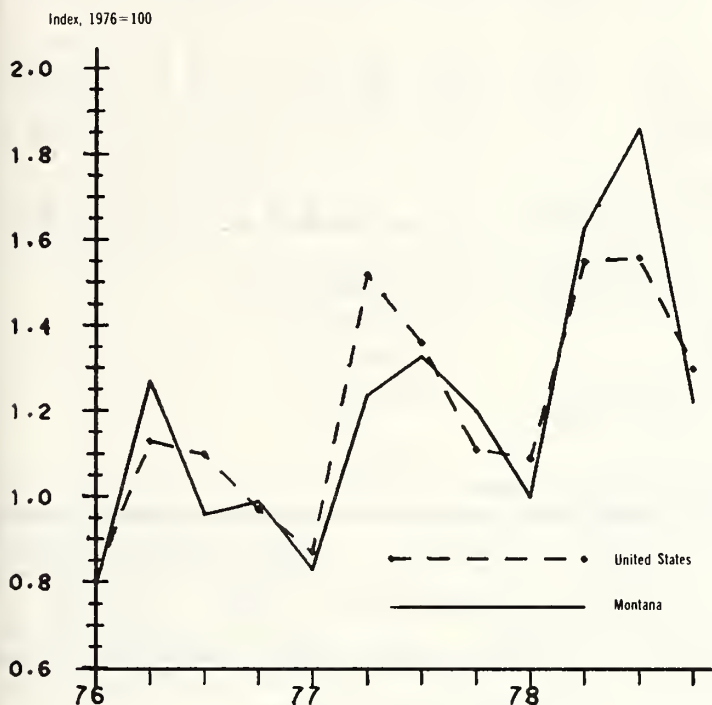


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Montana

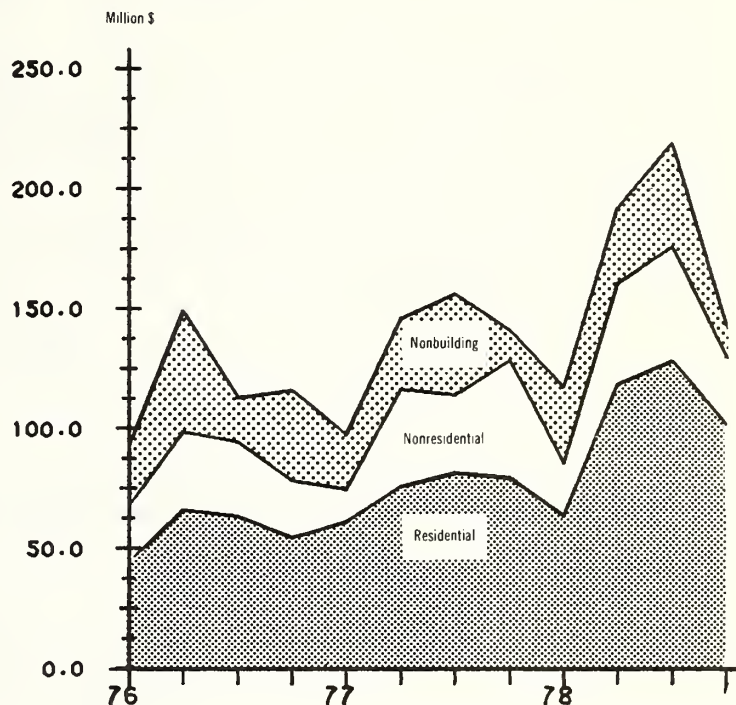


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

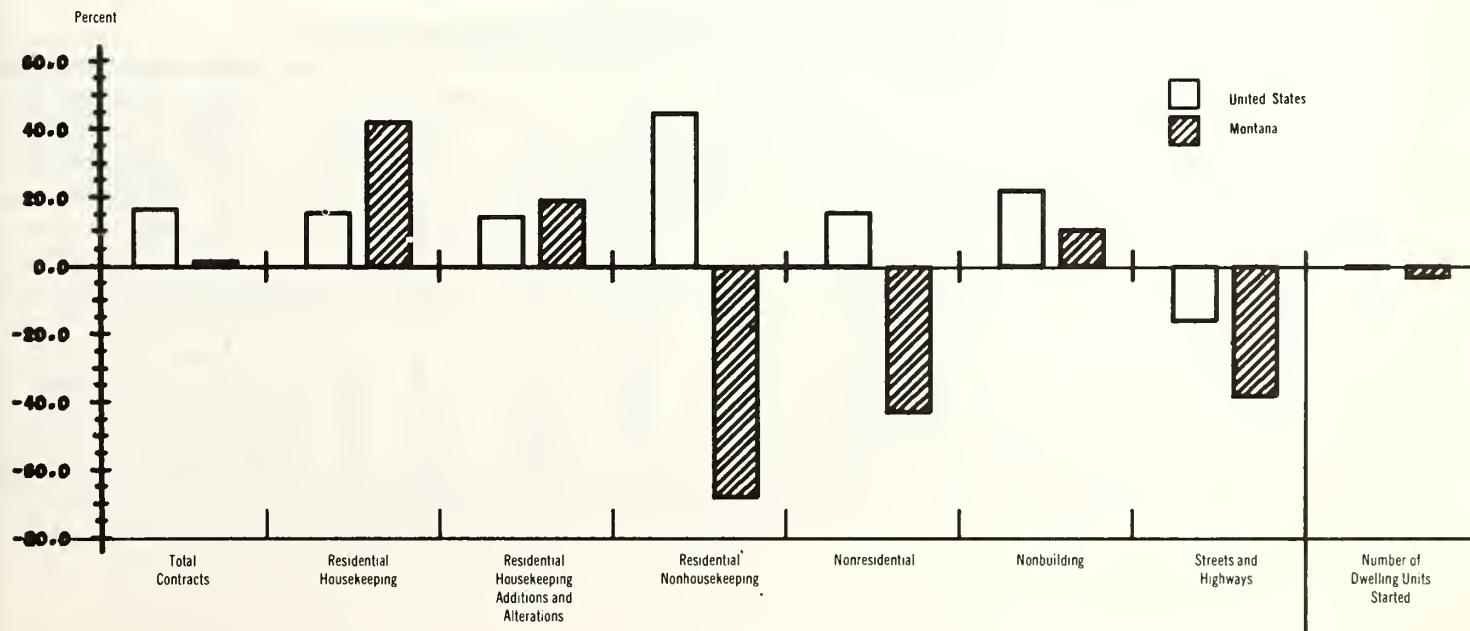


TABLE 6.—Construction Contracts, United States and Montana Through Fourth Quarter, 1978¹

| | United States | | | Montana | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|---------|----------|------------------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 156,417 | 140,976 | 219,364 | 143,343 | 14.5 | 40.2 | 16.8 | 1.7 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 28,177 | 25,435 | 30,655 | 30,399 | 16.8 | 8.8 | 14.6 | 19.5 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 330 | 311 | 325 | 288 ² | 4.4 | -1.5 | -9.3 | -7.4 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 128,240 | 115,541 | 188,709 | 112,944 | 14.0 | 47.2 | 17.4 | -2.2 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 3,223 | 3,331 | 4,434 | 3,250 | 10.8 | 37.6 | 10.2 | -2.4 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 171 | 166 | 179 | 180 | -5.1 | 4.7 | -4.3 | 8.4 |
| Number of dwelling units | 445,772 | 443,075 | 1,737 | 1,839 | 2,325 | 1,773 | 1.0 | 33.9 | -6 | -3.6 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 49,519 | 49,104 | 85,363 | 69,842 | 15.3 | 72.4 | 15.6 | 42.2 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 1,827 | 1,808 | 2,949 | 2,394 | 10.3 | 61.4 | 10.7 | 32.4 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 5 | 4 | 3 | 4 | -10.0 | -40.0 | -4 | .0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 4,194 | 4,841 | 12,451 | 1,530 | 9.4 | 196.9 | 44.8 | -68.4 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 174 | 137 | 258 | 55 | -7 | 48.0 | 24.7 | -60.2 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 96 | 109 | 71 | 69 | -2.5 | -26.0 | -12.0 | -36.7 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 32,279 | 49,385 | 47,578 | 28,050 | 27.6 | 47.4 | 15.8 | -43.2 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 1,222 | 1,385 | 1,227 | 801 | 12.2 | .4 | 8.9 | -42.2 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 58 | 32 | 72 | 35 | 22.4 | 24.1 | -9.1 | 9.4 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 42,248 | 12,211 | 43,317 | 13,522 | -1 | 2.5 | 22.2 | 10.7 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 36 | 11 | 30 | 10 | 9.3 | -16.7 | -17.8 | -9.1 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 31,237 | 5,456 | 26,922 | 3,343 | 3.0 | -13.8 | -16.3 | -38.7 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Montana are not available.

TABLE 7.—Retail Sales, United States and Montana Through Fourth Quarter, 1978

| | United States | | | Montana | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|---------|----------|---------|-----------------------|----------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Millions of dollars, not seasonally adjusted | | | | | | | Percent change | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

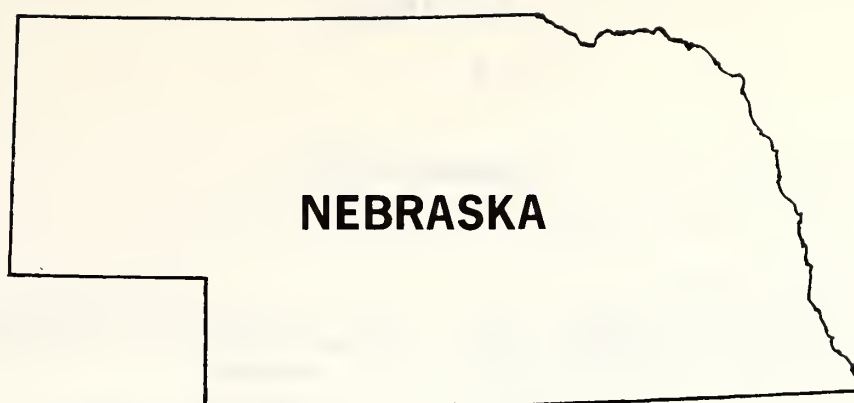
TABLE 8.—Business Incorporations and Failures, United States and Montana Through Fourth Quarter, 1978

| | United States | | | Montana | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 338 | 348 | 320 | n.a. | 8.2 | —5.3 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 5 | 8 | 7 | n.a. | —9.5 | 40.0 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 319 | 1,942 | 369 | n.a. | —44.2 | 15.7 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 64 | 243 | 53 | n.a. | —38.4 | —17.2 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 0 | 2 | n.a. | —10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 1 | 4 | 1 | n.a. | 1.0 | .0 | --- | --- |
| Wholesale trade | 191 | n.a. | 2 | 0 | 0 | n.a. | —27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 2 | 4 | 3 | n.a. | —4.2 | 50.0 | --- | --- |
| Commercial services | 238 | n.a. | 0 | 0 | 1 | n.a. | —24.0 | --- | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 10.7% vs. 12.6% in U.S., to \$12.2 billion —Farm personal income up only 4.3% vs. 26.3% in U.S. —Payrolls up 17.5% in manufacturing vs. 13.3% in U.S. |
| Consumer prices | —Up 8.4% in Kansas City vs. 8.9% in U.S. |
| Employment | —Up 4.4% vs. 3.9% in U.S., to 757,000 |
| Unemployment | —Down 5,000, to 23,000 —Rate down to 2.9% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts down 4.4% vs. 16.8% increase in U.S., to \$278.3 million —Valuation of nonresidential contracts down 38.9% vs. 15.8% increase in U.S. —Number of dwelling-unit starts up 1.6% vs. near stability in U.S., to 3,156 |

TABLE 1.—Summary of Economic Indicators, United States and Nebraska Through Fourth Quarter, 1978

| | United States | | | Nebraska | | | U.S. | State | U.S. | State |
|--|--|------------|----------|----------|----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 10,461 | 11,026 | 11,491 | 12,203 | 12.4 | 9.9 | 12.6 | 10.7 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 6,151 | 6,268 | 6,786 | 6,990 | 12.1 | 10.3 | 12.6 | 11.5 |
| Civilian employment (thousands) | 92,442 | 96,010 | 750 | 725 | 764 | 757 | 4.1 | 1.9 | 3.9 | 4.4 |
| Unemployment (thousands) | 6,149 | 5,605 | 27 | 28 | 22 | 23 | -9.8 | -17.9 | -8.8 | -18.3 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 3.5 | 3.7 | 2.8 | 2.9 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 4,958 | 4,933 | 5,371 | n.a. | 16.3 | 8.3 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 6,847 | 7,395 | 7,672 | n.a. | 11.5 | 12.1 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 316,335 | 291,022 | 656,659 | 278,314 | 14.5 | 107.6 | 16.8 | -4.4 |
| Dwelling units started (number) | 445,772 | 443,075 | 3,586 | 3,107 | 4,229 | 3,156 | 1.0 | 17.9 | -6 | 1.6 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 620 | 687 | 660 | n.a. | 8.2 | 6.5 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 9 | 10 | 4 | n.a. | -9.5 | -55.6 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Kansas City | --- | --- | 180.6 | 182.7 | 194.3 | 198.1 | --- | 7.6 | --- | 8.4 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.7 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). Nebraska's increase was one of the smallest in the Nation. In 1978:IV, the State's personal income totaled \$12.2 billion, up \$1.2 billion since 1977:IV. Nebraska's increase in personal income would have been larger had it not been for an increase in farm personal income of only 4.3 percent, compared with a 26.3-percent national increase. The State's nonfarm personal income increased 11.2 percent from year to year versus 12.3 percent nationally. Since the most recent national business cycle peak in 1973:IV, Nebraska's nonfarm economy has grown more slowly than the Nation's; the increase in the State's nonfarm income was 3 percent less than nationally, ranking Nebraska 36th among all States.

From 1977:IV to 1978:IV, the **Consumer Price Index** for the Kansas City metropolitan area increased 8.4 percent versus an 8.9-percent national city average increase (table 3). If Kansas City's index is used as an

indicator for price movements in the State, real total personal income in Nebraska increased only 2.3 percent from year to year versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 11.5 percent, 1.1 percentage points less than nationally. In 1978:IV, they totaled \$7.0 billion, up \$722 million since 1977:IV.

Payrolls in wholesale and retail trade increased 11.5 percent versus 14.1 percent nationally, and services payrolls increased 11.5 percent versus 12.7 percent nationally. In contrast, payrolls in transportation-communication-public utilities increased 13.6 percent versus 11.3 percent nationally, and payrolls in finance-insurance-real estate increased 13.5 percent versus 13.2 percent nationally.

State and local government payrolls increased only 3.2 percent in Nebraska, one of the smallest increases in the Nation; the national increase was 6.8 percent. In contrast, Federal Government payrolls increased 8.2 percent in the State versus 7.1 percent in the Nation.

Construction payrolls increased 12.4 percent in Nebraska and 20.1 percent nationally. The State's increase was one of the smallest in the Nation.

In contrast, the State's 21.5-percent increase in durable goods manufacturing payrolls far outpaced the national increase of 15.2 percent; Nebraska's increase was one of the largest among all States, and it accounted for 18 percent of the year-to-year increase in all payrolls in Nebraska. Nondurable goods manufacturing payrolls increased 12.9 percent from year to year, 2.9 percentage points more than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 38.5 percent in Nebraska and 30.3 percent nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]

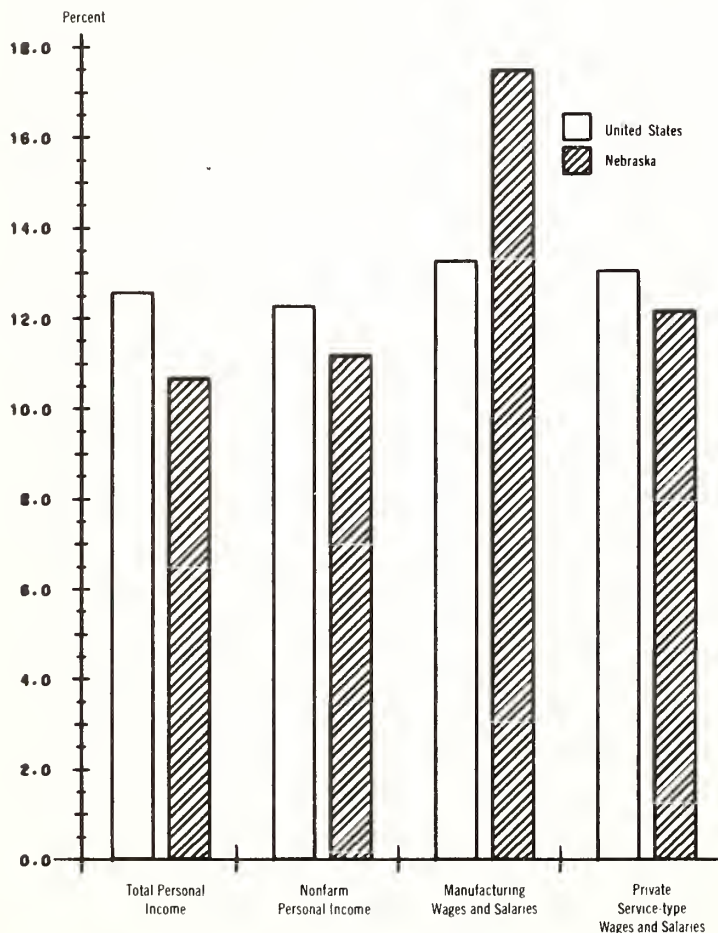


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

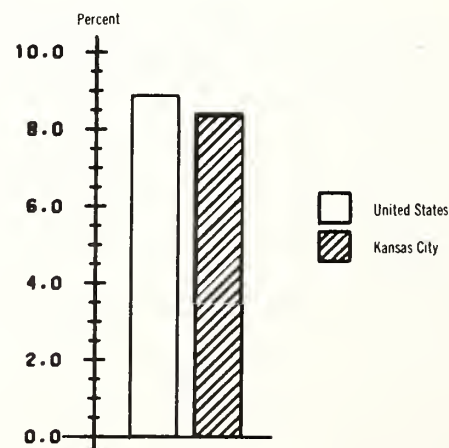


Chart 3.—Total Personal Income
[Seasonally adjusted]

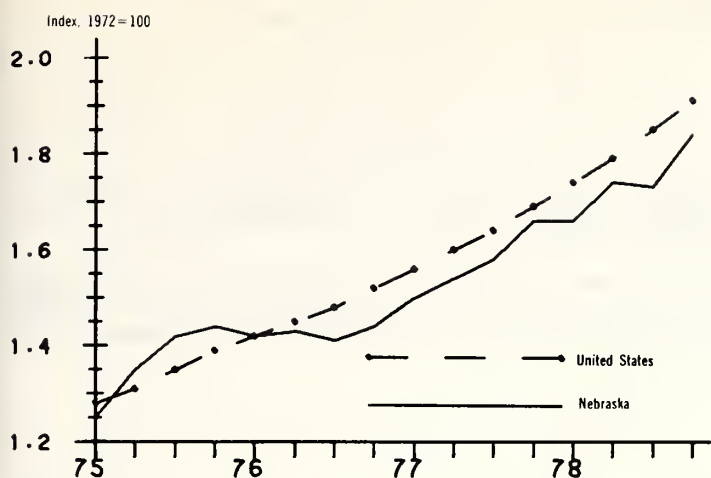


Chart 4.—Industrial Composition of Wages and Salaries: Nebraska
[Seasonally adjusted]

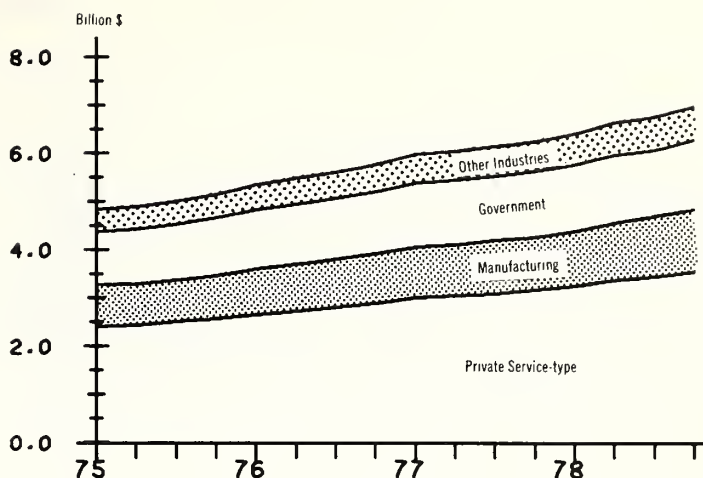


TABLE 2.—Personal Income, United States and Nebraska Through Fourth Quarter, 1978

| | United States | | | Nebraska | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 10,461 | 11,026 | 11,491 | 12,203 | 12.4 | 9.9 | 12.6 | 10.7 |
| Farm personal income | 31,224 | 39,451 | 553 | 903 | 540 | 943 | 47.9 | -2.4 | 26.3 | 4.3 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 9,907 | 10,123 | 10,951 | 11,260 | 11.9 | 10.5 | 12.3 | 11.2 |
| Total personal income | 1,583,508 | 1,782,519 | 10,461 | 11,026 | 11,491 | 12,203 | 12.4 | 9.9 | 12.6 | 10.7 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 6,151 | 6,268 | 6,786 | 6,990 | 12.1 | 10.3 | 12.6 | 11.5 |
| Other labor income | 96,016 | 111,719 | 547 | 563 | 635 | 654 | 17.0 | 16.1 | 16.4 | 16.1 |
| Proprietors' income | 105,953 | 125,995 | 1,165 | 1,520 | 1,231 | 1,649 | 21.5 | 5.7 | 18.9 | 8.5 |
| Farm | 23,636 | 31,044 | 393 | 737 | 363 | 756 | 66.6 | -7.8 | 31.3 | 2.6 |
| Nonfarm | 82,317 | 94,951 | 772 | 784 | 868 | 893 | 12.8 | 12.5 | 15.3 | 14.0 |
| Dividends, interest, and rent | 214,992 | 242,442 | 1,886 | 1,929 | 2,081 | 2,134 | 12.3 | 10.3 | 12.8 | 10.6 |
| Transfer payments | 215,944 | 233,750 | 1,276 | 1,316 | 1,398 | 1,425 | 8.8 | 9.6 | 8.2 | 8.3 |
| State unemployment insurance benefits | 11,128 | 7,753 | 25 | 39 | 18 | 24 | -24.0 | -24.8 | -30.3 | -38.5 |
| Less: personal contributions | 62,212 | 71,610 | 437 | 442 | 498 | 505 | 14.8 | 13.9 | 15.1 | 14.4 |
| Plus: residence adjustment | -401 | -473 | -127 | -128 | -142 | -144 | - | - | - | - |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 6,151 | 6,268 | 6,786 | 6,990 | 12.1 | 10.3 | 12.6 | 11.5 |
| Farm | 7,176 | 7,939 | 156 | 162 | 173 | 182 | 8.5 | 11.0 | 10.6 | 12.0 |
| Nonfarm | 1,006,040 | 1,132,757 | 5,995 | 6,105 | 6,613 | 6,809 | 12.1 | 10.3 | 12.6 | 11.5 |
| Mining | 14,048 | 18,813 | 22 | 21 | 23 | 23 | 26.5 | 3.9 | 33.9 | 11.3 |
| Construction | 55,648 | 66,858 | 424 | 423 | 492 | 476 | 19.1 | 15.9 | 20.1 | 12.4 |
| Manufacturing | 276,112 | 312,970 | 1,103 | 1,109 | 1,256 | 1,303 | 12.1 | 13.8 | 13.3 | 17.5 |
| Durable goods | 176,216 | 203,053 | 586 | 591 | 671 | 718 | 13.7 | 14.5 | 15.2 | 21.5 |
| Nondurable goods | 99,896 | 109,917 | 518 | 518 | 585 | 585 | 9.4 | 13.0 | 10.0 | 12.9 |
| Private service-type | 455,764 | 515,348 | 3,107 | 3,175 | 3,456 | 3,562 | 12.8 | 11.2 | 13.1 | 12.2 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 653 | 667 | 718 | 757 | 10.4 | 10.0 | 11.3 | 13.6 |
| Wholesale and retail trade | 170,888 | 195,035 | 1,249 | 1,261 | 1,367 | 1,405 | 13.6 | 9.4 | 14.1 | 11.5 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 393 | 412 | 457 | 467 | 14.1 | 16.2 | 13.2 | 13.5 |
| Services | 153,840 | 173,396 | 812 | 836 | 915 | 932 | 12.6 | 12.7 | 12.7 | 11.5 |
| Government | 201,252 | 215,083 | 1,322 | 1,361 | 1,369 | 1,426 | 7.4 | 3.5 | 6.9 | 4.8 |
| Federal | 68,176 | 73,003 | 412 | 436 | 450 | 472 | 7.3 | 9.2 | 7.1 | 8.2 |
| State and local | 133,076 | 142,080 | 910 | 925 | 918 | 954 | 7.5 | .9 | 6.8 | 3.2 |
| Other | 3,216 | 3,685 | 16 | 16 | 19 | 18 | 18.7 | 14.5 | 14.6 | 12.4 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Nebraska Through Fourth Quarter, 1978¹

| | United States | | | Nebraska | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Kansas City | --- | --- | 180.6 | 182.7 | 194.3 | 198.1 | --- | 7.6 | --- | 8.4 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Nebraska's **civilian labor force** increased 3.6 percent versus 3.1 percent nationally (table 4). **Total employment** increased 4.4 percent versus 3.9 percent nationally, to 757,000.

With employment increasing by 32,000 and the labor force increasing by 27,000, the number of **unemployed** declined by 5,000, to 23,000. Nebraska's **unemployment rate** declined 0.8 percentage point, to 2.9 percent of the labor force, the third lowest rate in the Nation after the

2.6-percent rates registered in Kansas and South Dakota. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Preliminary data for December 1978, when the State's unemployment rate was 3.1 percent, show unemployment rates of 3.6 percent in Omaha and 2.5 percent in Lincoln, both down fractionally from December 1977 levels.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Nebraska

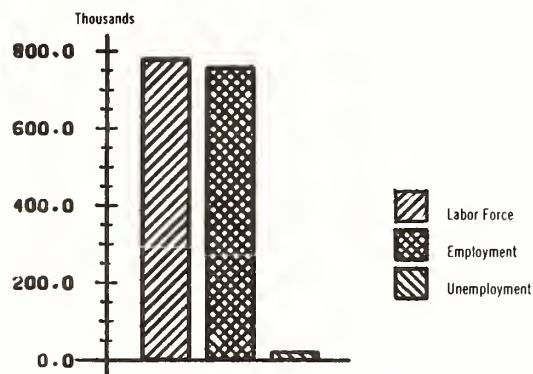


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

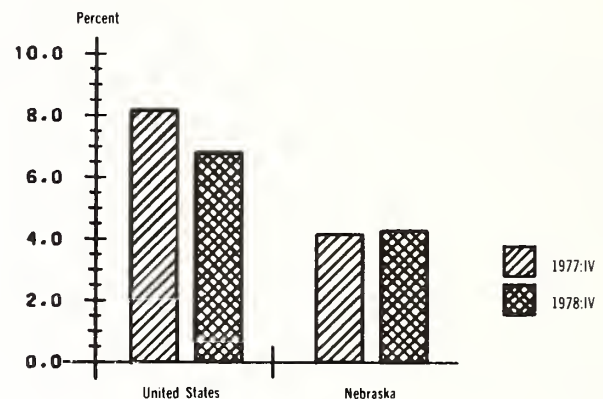


TABLE 4.—Labor Force, United States and Nebraska Through Fourth Quarter, 1978

| | United States | | | Nebraska | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 588 | 590 | 604 | 604 | 4.3 | 2.6 | 4.2 | 2.4 |
| Mining | 787 | 899 | 2 | 2 | 2 | 2 | 8.2 | .0 | 14.2 | .0 |
| Construction | 4,032 | 4,488 | 35 | 32 | 37 | 33 | 10.4 | 5.4 | 11.3 | 2.2 |
| Manufacturing | 19,986 | 20,722 | 91 | 91 | 94 | 96 | 3.1 | 2.9 | 3.7 | 4.7 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 43 | 42 | 45 | 45 | 3.8 | 4.2 | 4.4 | 6.2 |
| Wholesale and retail trade | 19,152 | 20,015 | 154 | 156 | 156 | 159 | 5.3 | 1.8 | 4.5 | 1.9 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 38 | 38 | 39 | 39 | 4.8 | 2.9 | -2.0 | 2.6 |
| Services | 15,539 | 16,215 | 102 | 102 | 106 | 105 | 4.6 | 3.5 | 4.4 | 3.2 |
| Government | 15,434 | 15,656 | 124 | 127 | 125 | 126 | 2.1 | 1.0 | 1.4 | -.7 |
| Civilian labor force ³ | 98,591 | 101,615 | 778 | 752 | 787 | 779 | 3.2 | 1.2 | 3.1 | 3.6 |
| Total employed | 92,442 | 96,010 | 750 | 725 | 764 | 757 | 4.1 | 1.9 | 3.9 | 4.4 |
| Total unemployed | 6,149 | 5,605 | 27 | 28 | 22 | 23 | -9.8 | -17.9 | -8.8 | -18.3 |
| Percent unemployed | 6.2 | 5.5 | 3.5 | 3.7 | 2.8 | 2.9 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

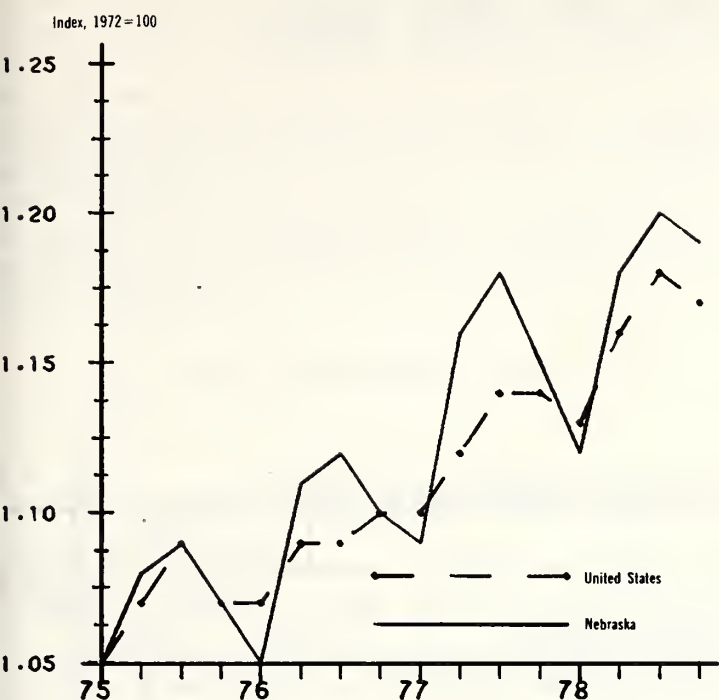


Chart 8.—Civilian Employment

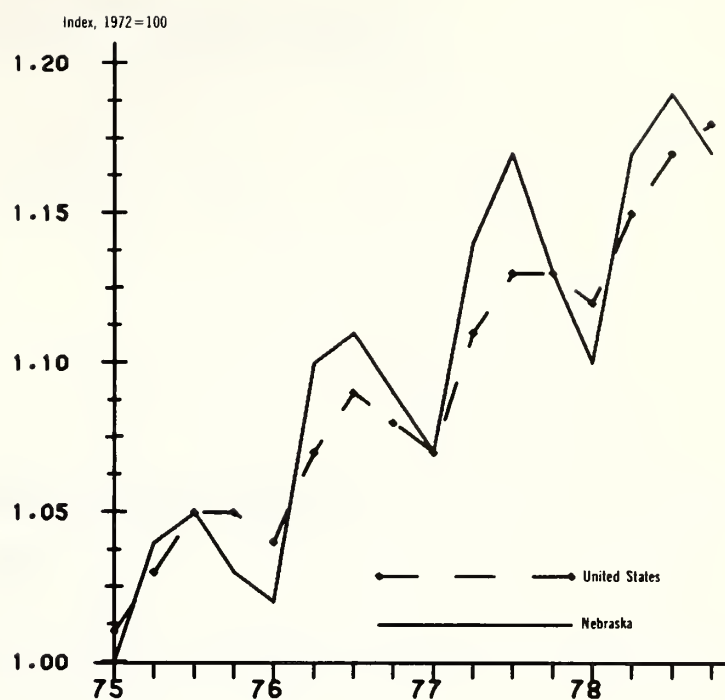


Chart 9.—Unemployment Rate

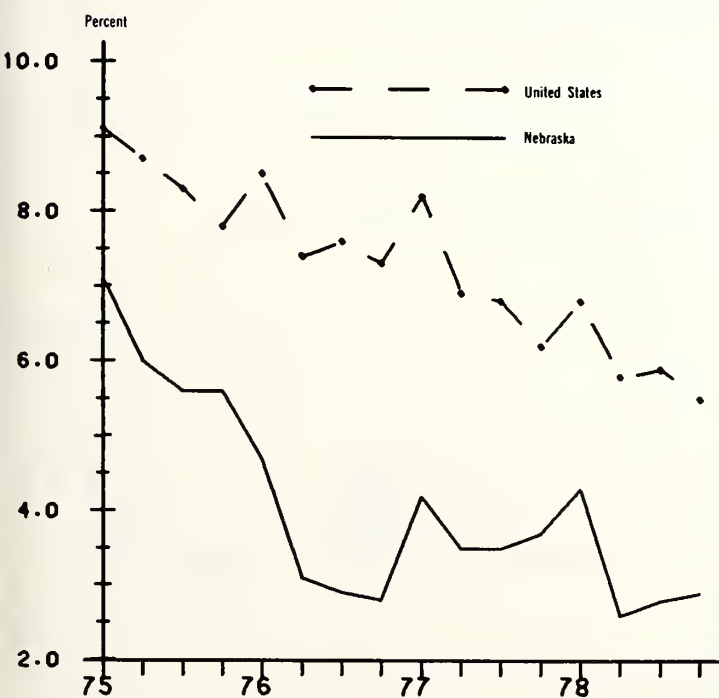
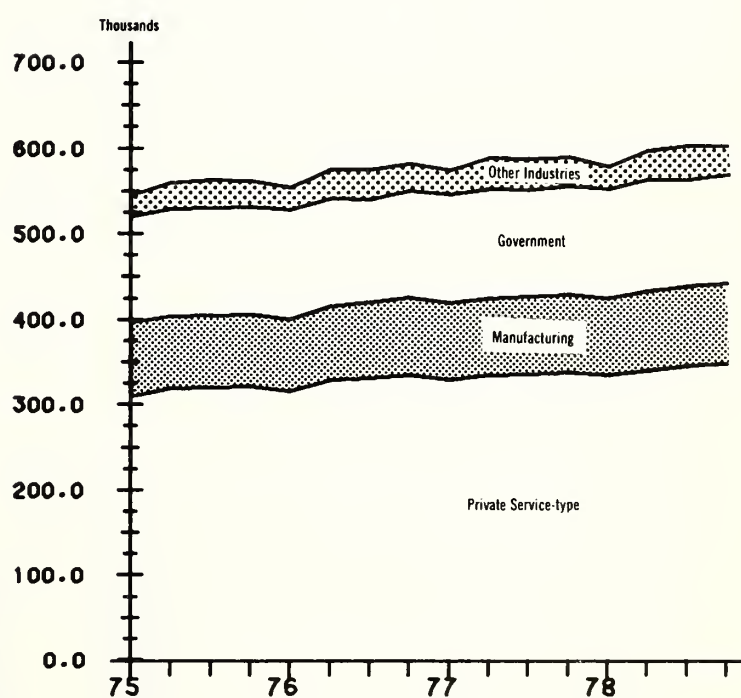


Chart 10.—Industrial Composition of Nonagricultural Employment: Nebraska



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Nebraska Through Fourth Quarter, 1978

| | United States | | | Nebraska | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 4,958 | 4,933 | 5,371 | n.a. | 16.3 | 8.3 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 1,076 | 1,086 | 1,175 | n.a. | 14.2 | 9.2 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 1,082 | 1,116 | 1,222 | n.a. | 20.2 | 13.0 | --- | --- |
| Real estate | 177,935 | n.a. | 627 | 646 | 705 | n.a. | 19.9 | 12.4 | --- | --- |
| Residential | 101,236 | n.a. | 260 | 269 | 310 | n.a. | 21.3 | 19.2 | --- | --- |
| Farms | 7,731 | n.a. | 96 | 96 | 99 | n.a. | 10.7 | 3.7 | --- | --- |
| Other | 68,968 | n.a. | 271 | 281 | 296 | n.a. | 19.0 | 9.0 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 1,968 | 1,883 | 2,011 | n.a. | 6.8 | 2.2 | --- | --- |
| Other | 69,947 | n.a. | 206 | 202 | 258 | n.a. | 8.0 | 25.1 | --- | --- |
| Total deposits | 925,511 | n.a. | 6,847 | 7,395 | 7,672 | n.a. | 11.5 | 12.1 | --- | --- |
| Demand | 377,683 | n.a. | 2,522 | 2,951 | 2,818 | n.a. | 10.2 | 11.7 | --- | --- |
| Time and savings | 547,828 | n.a. | 4,325 | 4,444 | 4,854 | n.a. | 12.3 | 12.2 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts declined 4.4 percent (\$12.7 million), to \$278.3 million (table 6). Nebraska's decline was one of the largest in the Nation. Nationally, the total valuation of construction contracts increased 16.8 percent.

National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Nebraska sustained a real decline of about 17 percent versus a real increase in the Nation of about 4 percent.

Nonresidential contracts declined 38.9 percent in valuation, compared with a 15.8-percent national increase. Nebraska's decline was one of the largest in the Nation.

Nonbuilding contracts declined 17.1 percent in valuation, compared with a national increase of 22.2 percent. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 45.1 percent versus a 16.3-percent decline nationally.

Residential housekeeping contracts, in contrast, increased 26.5 percent in valuation versus 15.6 percent nationally. The number of dwelling units started increased 1.6 percent in the State, to 3,156 units. Nationally, the number of dwelling units started was almost unchanged at a high level. Residential housekeeping additions and alterations increased 1.5 percent in valuation, compared with a national increase of 14.6 percent.

Chart 14.—Construction Contracts—Total Valuation

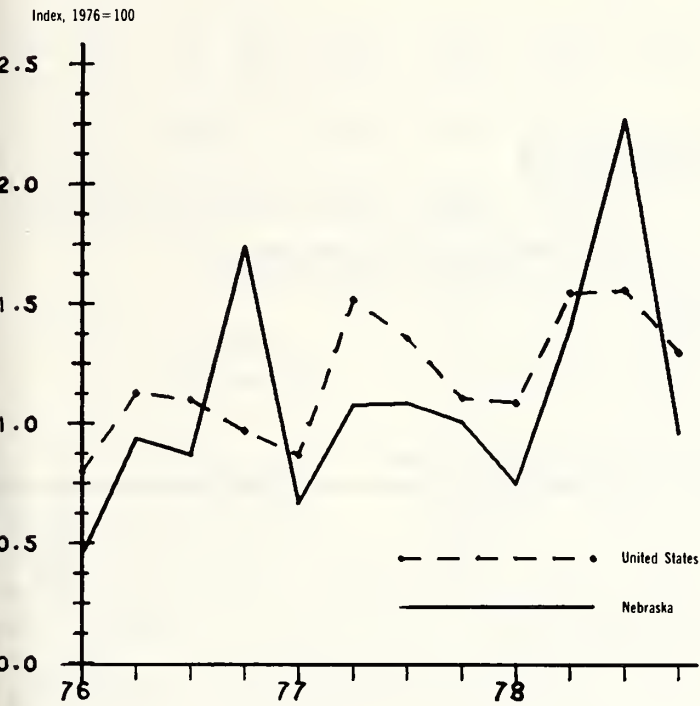


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Nebraska

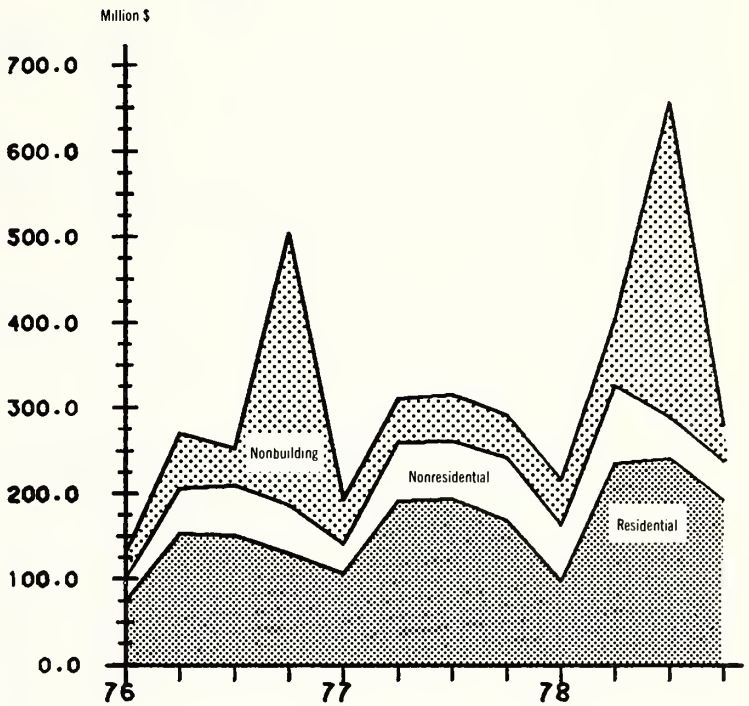


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

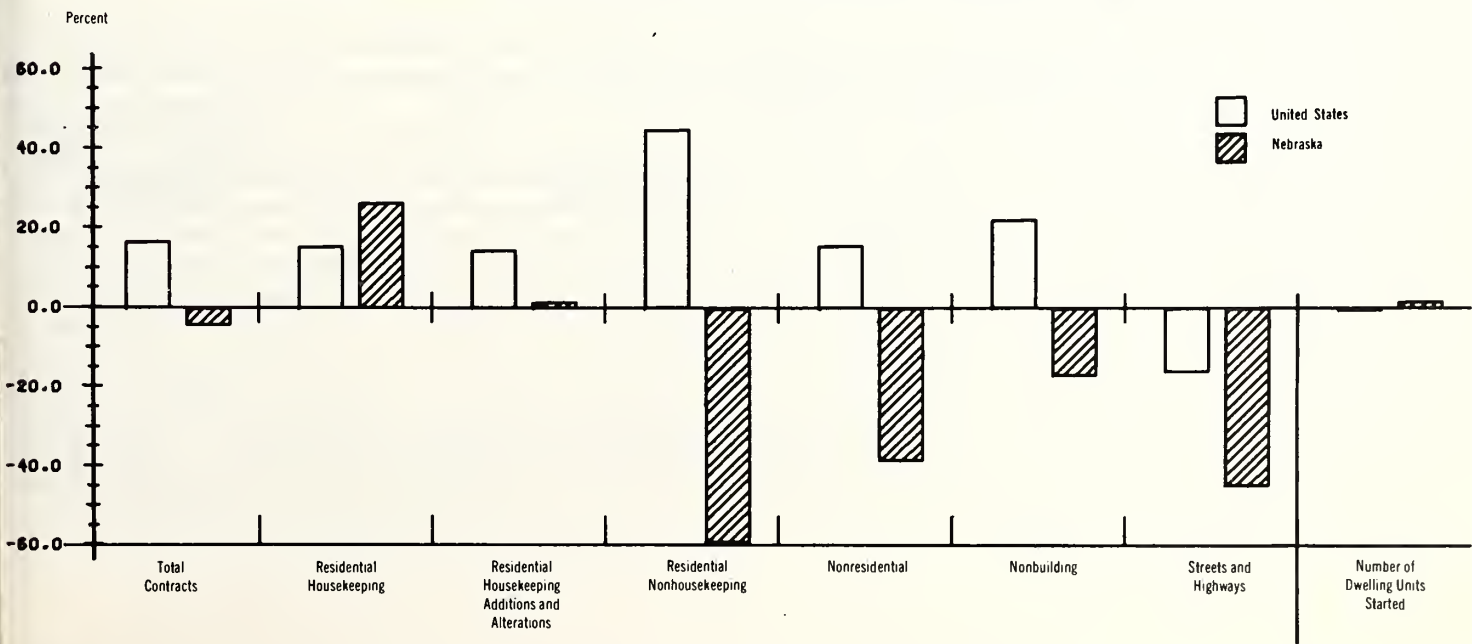


TABLE 6.—Construction Contracts, United States and Nebraska Through Fourth Quarter, 1978¹

| | United States | | | Nebraska | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 316,335 | 291,022 | 656,659 | 278,314 | 14.5 | 107.6 | 16.8 | -4.4 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 73,715 | 67,433 | 83,043 | 68,431 | 16.8 | 12.7 | 14.6 | 1.5 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,016 | 882 | 799 | 710 | 4.4 | -21.4 | -9.3 | -19.5 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 242,620 | 223,589 | 573,616 | 209,883 | 14.0 | 136.4 | 17.4 | -6.1 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 6,423 | 6,408 | 7,741 | 5,735 | 10.8 | 20.5 | 10.2 | -10.5 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 316 | 321 | 324 | 326 | -5.1 | 2.5 | -4.3 | 1.6 |
| Number of dwelling units | 445,772 | 443,075 | 3,586 | 3,107 | 4,229 | 3,156 | 1.0 | 17.9 | -6 | 1.6 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 118,883 | 96,829 | 158,714 | 122,466 | 15.3 | 33.5 | 15.6 | 26.5 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 4,496 | 3,704 | 5,898 | 4,534 | 10.3 | 31.2 | 10.7 | 22.4 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 4 | 5 | 4 | 5 | -10.0 | .0 | -4 | .0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 1,251 | 3,811 | 216 | 1,541 | 9.4 | -82.7 | 44.8 | -59.6 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 43 | 91 | 1 | 7 | -7 | -97.2 | 24.7 | -92.0 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 319 | 281 | 190 | 173 | -2.5 | -40.4 | -12.0 | -38.4 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 67,998 | 73,521 | 47,537 | 44,913 | 27.6 | -30.1 | 15.8 | -38.9 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 1,884 | 2,613 | 1,843 | 1,194 | 12.2 | -2.2 | 8.9 | -54.3 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 377 | 275 | 281 | 206 | 22.4 | -25.5 | -9.1 | -25.1 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 54,488 | 49,428 | 367,149 | 40,963 | -1 | 573.8 | 22.2 | -17.1 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 165 | 99 | 121 | 68 | 9.3 | -26.7 | -17.8 | -31.3 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 29,703 | 25,427 | 19,840 | 13,966 | 3.0 | -33.2 | -16.3 | -45.1 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Nebraska are not available.

TABLE 7.—Retail Sales, United States and Nebraska Through Fourth Quarter, 1978

| | United States | | | Nebraska | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|----------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

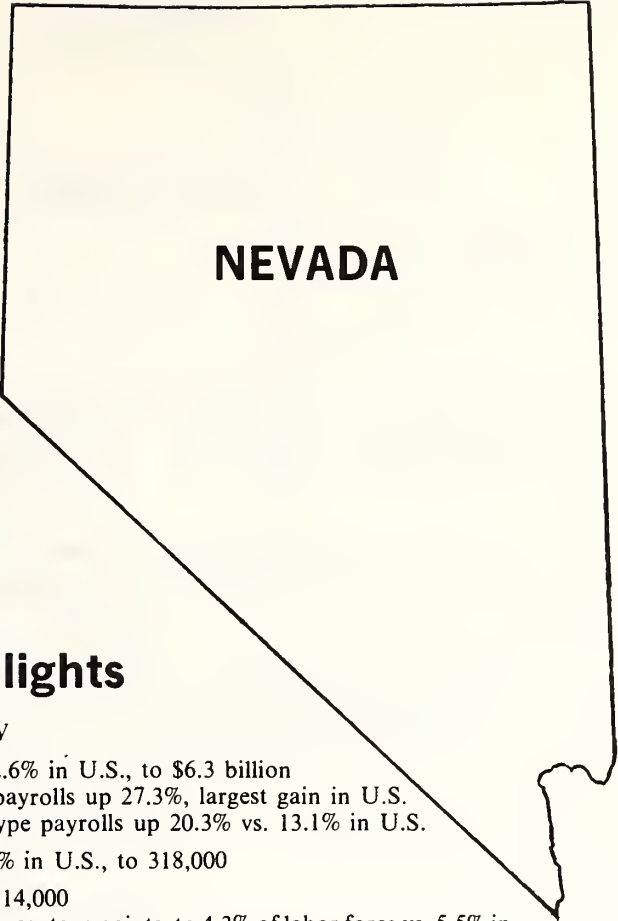
TABLE 8.—Business Incorporations and Failures, United States and Nebraska Through Fourth Quarter, 1978

| | United States | | | Nebraska | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 620 | 687 | 660 | n.a. | 8.2 | 6.5 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 9 | 10 | 4 | n.a. | -9.5 | -55.6 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 2,016 | 2,101 | 1,560 | n.a. | -44.2 | -22.6 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 224 | 210 | 390 | n.a. | -38.4 | 74.1 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 2 | 2 | 1 | n.a. | -10.1 | -50.0 | --- | --- |
| Construction | 319 | n.a. | 3 | 2 | 1 | n.a. | 1.0 | -66.7 | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 2 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 2 | 3 | 2 | n.a. | -4.2 | .0 | --- | --- |
| Commercial services | 238 | n.a. | 2 | 1 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

- Personal income**
Employment
Unemployment
Construction
- Up 18.4% vs. 12.6% in U.S., to \$6.3 billion
 - Manufacturing payrolls up 27.3%, largest gain in U.S.
 - Private service-type payrolls up 20.3% vs. 13.1% in U.S.
 - Up 3.4% vs. 3.9% in U.S., to 318,000
 - Down 8,000, to 14,000
 - Rate down 2.3 percentage points, to 4.3% of labor force vs. 5.5% in U.S.
 - Total valuation of contracts up 27.9% vs. 16.8% in U.S., to \$321 million
 - Number of dwelling-unit starts up 12.3% vs. near stability in U.S., to 4,238

TABLE 1.—Summary of Economic Indicators, United States and Nevada Through Fourth Quarter, 1978

| | United States | | | Nevada | | | U.S. | State | U.S. | State |
|--|--|------------|----------|---------|----------|---------|---------------------|-------|-------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III – 1978:III | | 1977:IV – 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 5,111 | 5,347 | 6,055 | 6,333 | 12.4 | 18.5 | 12.6 | 18.4 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 3,743 | 3,946 | 4,515 | 4,737 | 12.1 | 20.6 | 12.6 | 20.1 |
| Civilian employment (thousands) | 92,442 | 96,010 | 308 | 308 | 329 | 318 | 4.1 | 6.9 | 3.9 | 3.4 |
| Unemployment (thousands) | 6,149 | 5,605 | 21 | 22 | 13 | 14 | −9.8 | −36.5 | −8.8 | −33.8 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 6.3 | 6.6 | 3.9 | 4.3 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 1,465 | 1,524 | 1,872 | n.a. | 16.3 | 27.8 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 2,331 | 2,431 | 2,799 | n.a. | 11.5 | 20.1 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 247,966 | 250,832 | 477,138 | 320,782 | 14.5 | 92.4 | 16.8 | 27.9 |
| Dwelling units started (number) | 445,772 | 443,075 | 4,046 | 3,773 | 4,376 | 4,238 | 1.0 | 8.2 | −.6 | 12.3 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 1,421 | 1,362 | 1,500 | n.a. | 8.2 | 5.6 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 4 | 5 | 5 | n.a. | −9.5 | 25.0 | --- | --- |
| Consumer Price Index (1967 = 100): U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

n.a.: Data not available.
Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Nevada increased 18.4 percent from 1977:IV to 1978:IV, leading the Nation's gain by almost 6 percentage points and ranking fourth among all State gains (table 2). In 1978:IV, Nevada's personal income totaled \$6.3 billion, up \$1.0 billion since 1977:IV.

Since the last national business cycle peak in 1973:IV, Nevada's economy has grown at one of the fastest rates in the Nation; the increase in the State's nonfarm income was 39 percent more than nationally, ranking Nevada third among all States.

Wage and salary disbursements (payrolls) in Nevada increased 20.1 percent from 1977:IV to 1978:IV, far exceeding the Nation's 12.6-percent gain and ranking second (after Wyoming's) among all State

gains. Payrolls in private service-type industries increased 20.3 percent versus 13.1 percent nationally, to \$3.0 billion. Payroll increases in all private service-type industries were among the largest increases in the Nation. Trade payrolls increased 24.7 percent, 10 percentage points above the Nation's average increase. Services payrolls increased 19.1 percent versus 12.7 percent nationally, and transportation-communication-public utilities payrolls increased 18.8 percent versus 11.3 percent nationally.

Payrolls in construction increased 38.6 percent, more than in any other major industry in the State, to \$535 million; the State's construction increase far outpaced the Nation's 20.1-percent increase and ranked second (after Arizona's) among all States. Manufacturing payrolls increased 27.3 percent, which led all other State gains in the Nation and was twice the national average gain.

State and local government payrolls in Nevada increased 10.2 percent, to \$518 million; nationally, the gain was 6.8 percent. Federal Government payrolls increased 7.7 percent, marginally above the Nation's gain of 7.1 percent, to \$297 million.

State unemployment insurance benefits declined 27.9 percent from year to year, to \$31 million. Nationally, they declined 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV

[Seasonally adjusted]

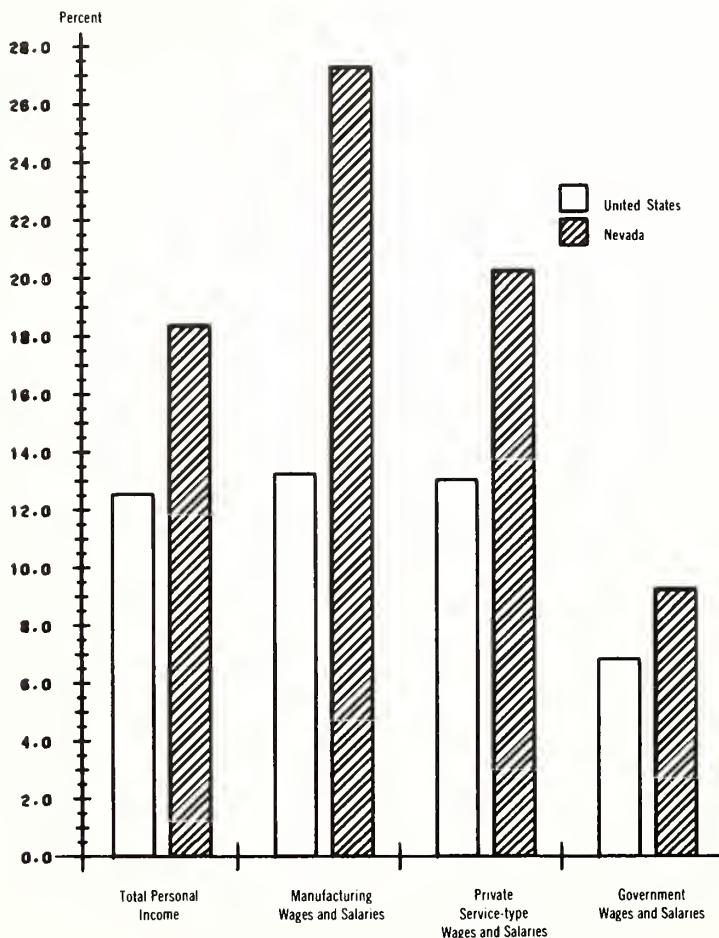


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

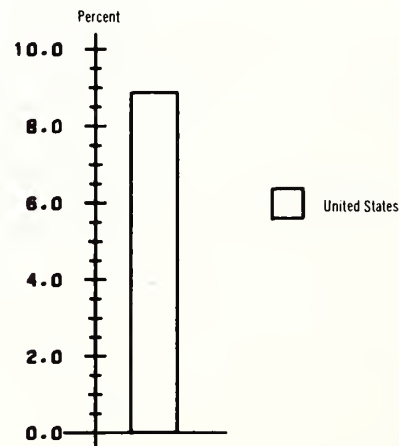


Chart 3.—Total Personal Income
[Seasonally adjusted]

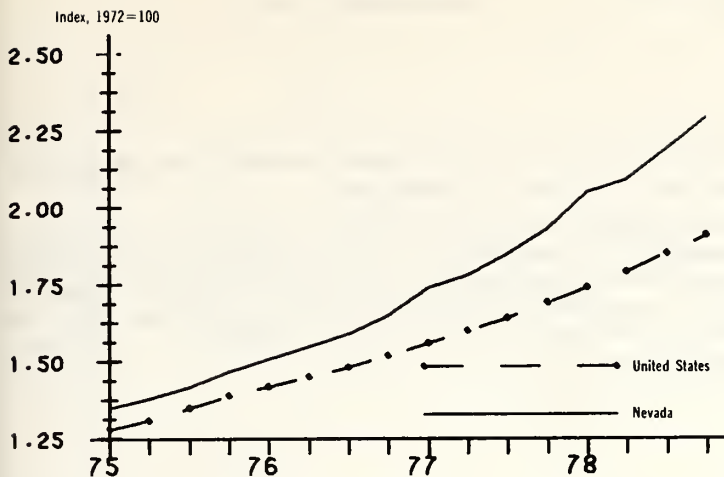


Chart 4.—Industrial Composition of Wages and Salaries: Nevada
[Seasonally adjusted]

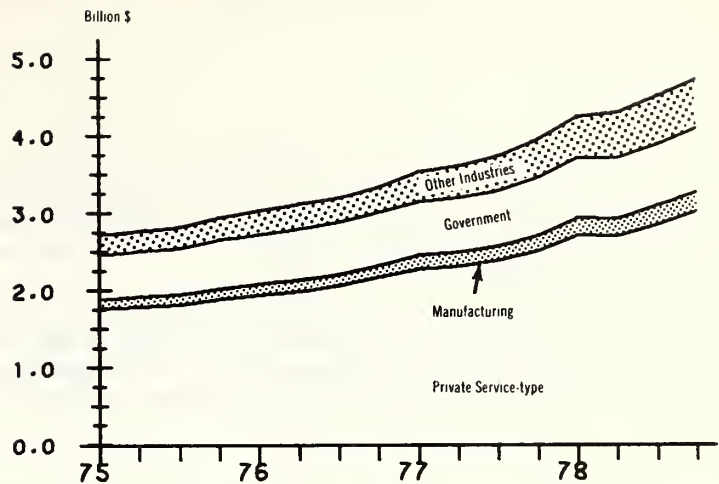


TABLE 2.—Personal Income, United States and Nevada Through Fourth Quarter, 1978

| | United States | | | Nevada | | | U.S. | State | U.S. | State |
|---|---------------|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 5,111 | 5,347 | 6,055 | 6,333 | 12.4 | 18.5 | 12.6 | 18.4 |
| Farm personal income | 31,224 | 39,451 | 32 | 41 | 53 | 68 | 47.9 | 68.2 | 26.3 | 65.2 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 5,079 | 5,306 | 6,001 | 6,265 | 11.9 | 18.2 | 12.3 | 18.1 |
| Total personal income | 1,583,508 | 1,782,519 | 5,111 | 5,347 | 6,055 | 6,333 | 12.4 | 18.5 | 12.6 | 18.4 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,743 | 3,946 | 4,515 | 4,737 | 12.1 | 20.6 | 12.6 | 20.1 |
| Other labor income | 96,016 | 111,719 | 219 | 233 | 274 | 287 | 17.0 | 25.3 | 16.4 | 23.6 |
| Proprietors' income | 105,953 | 125,995 | 226 | 240 | 285 | 311 | 21.5 | 26.2 | 18.9 | 29.6 |
| Farm | 23,636 | 31,044 | 8 | 16 | 27 | 41 | 66.6 | 245.5 | 31.3 | 148.6 |
| Nonfarm | 82,317 | 94,951 | 218 | 224 | 259 | 270 | 12.8 | 18.4 | 15.3 | 21.0 |
| Dividends, interest, and rent | 214,992 | 242,442 | 634 | 651 | 720 | 743 | 12.3 | 13.5 | 12.8 | 14.1 |
| Transfer payments | 215,944 | 233,750 | 599 | 604 | 647 | 658 | 8.8 | 8.1 | 8.2 | 8.9 |
| State unemployment insurance benefits | 11,128 | 7,753 | 48 | 43 | 32 | 31 | -24.0 | -32.9 | -30.3 | -27.9 |
| Less: personal contributions | 62,212 | 71,610 | 207 | 217 | 258 | 269 | 14.8 | 24.7 | 15.1 | 23.7 |
| Plus: residence adjustment | -401 | -473 | -103 | -109 | -128 | -135 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,743 | 3,946 | 4,515 | 4,737 | 12.1 | 20.6 | 12.6 | 20.1 |
| Farm | 7,176 | 7,939 | 23 | 24 | 26 | 27 | 8.5 | 10.5 | 10.6 | 10.4 |
| Nonfarm | 1,006,040 | 1,132,757 | 3,720 | 3,921 | 4,489 | 4,711 | 12.1 | 20.7 | 12.6 | 20.1 |
| Mining | 14,048 | 18,813 | 66 | 65 | 69 | 70 | 26.5 | 4.3 | 33.9 | 6.9 |
| Construction | 55,648 | 66,858 | 352 | 386 | 526 | 535 | 19.1 | 49.5 | 20.1 | 38.6 |
| Manufacturing | 276,112 | 312,970 | 194 | 205 | 246 | 261 | 12.1 | 26.7 | 13.3 | 27.3 |
| Durable goods | 176,216 | 203,053 | 128 | 137 | 171 | 185 | 13.7 | 33.0 | 15.2 | 35.3 |
| Nondurable goods | 99,896 | 109,917 | 65 | 68 | 75 | 76 | 9.4 | 14.2 | 10.0 | 11.2 |
| Private service-type | 455,764 | 515,348 | 2,382 | 2,510 | 2,850 | 3,019 | 12.8 | 19.7 | 13.1 | 20.3 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 299 | 305 | 346 | 363 | 10.4 | 15.7 | 11.3 | 18.8 |
| Wholesale and retail trade | 170,888 | 195,035 | 552 | 579 | 681 | 721 | 13.6 | 23.4 | 14.1 | 24.7 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 138 | 158 | 178 | 188 | 14.1 | 28.6 | 13.2 | 19.0 |
| Services | 153,840 | 173,396 | 1,392 | 1,468 | 1,645 | 1,748 | 12.6 | 18.2 | 12.7 | 19.1 |
| Government | 201,252 | 215,083 | 718 | 746 | 788 | 815 | 7.4 | 9.8 | 6.9 | 9.3 |
| Federal | 68,176 | 73,003 | 261 | 276 | 287 | 297 | 7.3 | 9.9 | 7.1 | 7.7 |
| State and local | 133,076 | 142,080 | 457 | 470 | 501 | 518 | 7.5 | 9.7 | 6.8 | 10.2 |
| Other | 3,216 | 3,685 | 9 | 10 | 11 | 11 | 18.7 | 23.3 | 14.6 | 16.3 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Nevada Through Fourth Quarter, 1978¹

| | United States | | | Nevada | | | U.S. | State | U.S. | State |
|--------------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967=100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average? | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Nevada's **civilian labor force** increased 1.0 percent, one-third of the national advance. Nevada's advance was one of the smallest registered among all States (table 4). **Total employment** increased from 308,000 to 319,000, a 3.4-percent advance that lagged the Nation's advance by 0.5 percentage point.

With employment increasing by 11,000 and the labor force increasing by only 3,000, the number of **unemployed** declined by 8,000. The **unemployment rate** declined 2.3 percentage points, to 4.3 percent of the labor force. While in 1977:IV, Nevada's unemployment rate was above

the Nation's rate, in 1978:IV, Nevada's rate was 1.2 percentage points less than the Nation's 5.5-percent rate.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, unemployment rates in the two major metropolitan areas of Las Vegas and Reno, at 4.5 and 3.5 percent, respectively, were lower than the preliminary State rate of 4.6 percent. Nonmetropolitan Nevada registered a 7.0-percent unemployment rate.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Nevada

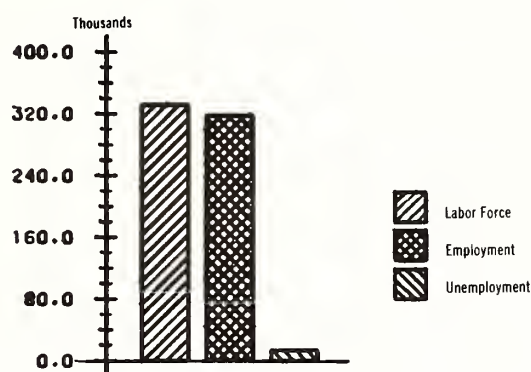


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

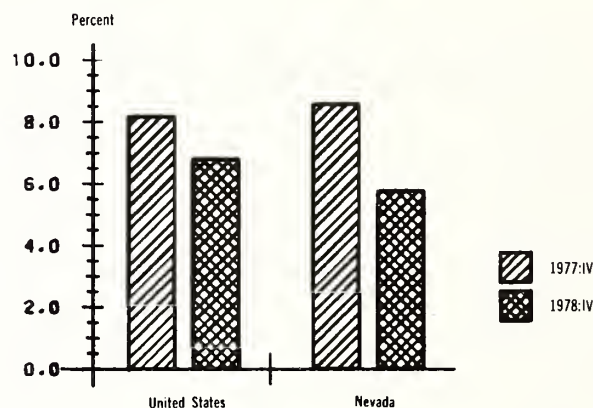


TABLE 4.—Labor Force, United States and Nevada Through Fourth Quarter, 1978

| | United States | | | Nevada | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 317 | 319 | 351 | 352 | 4.3 | 10.6 | 4.2 | 10.4 |
| Mining | 787 | 899 | 4 | 4 | 3 | 3 | 8.2 | -17.1 | 14.2 | -23.3 |
| Construction | 4,032 | 4,488 | 21 | 21 | 25 | 25 | 10.4 | 22.1 | 11.3 | 17.9 |
| Manufacturing | 19,986 | 20,722 | 15 | 16 | 17 | 18 | 3.1 | 11.1 | 3.7 | 12.8 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 19 | 19 | 20 | 21 | 3.8 | 7.9 | 4.4 | 10.5 |
| Wholesale and retail trade | 19,152 | 20,015 | 63 | 64 | 70 | 71 | 5.3 | 10.5 | 4.5 | 11.4 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 13 | 13 | 14 | 15 | 4.8 | 9.2 | -2.0 | 10.5 |
| Services | 15,539 | 16,215 | 133 | 131 | 150 | 146 | 4.6 | 12.3 | 4.4 | 11.9 |
| Government | 15,434 | 15,656 | 49 | 51 | 51 | 54 | 2.1 | 5.1 | 1.4 | 4.7 |
| Civilian labor force ³ | 98,591 | 101,615 | 329 | 329 | 342 | 333 | 3.2 | 4.2 | 3.1 | 1.0 |
| Total employed | 92,442 | 96,010 | 308 | 308 | 329 | 318 | 4.1 | 6.9 | 3.9 | 3.4 |
| Total unemployed | 6,149 | 5,605 | 21 | 22 | 13 | 14 | -9.8 | -36.5 | -8.8 | -33.8 |
| Percent unemployed | 6.2 | 5.5 | 6.3 | 6.6 | 3.9 | 4.3 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

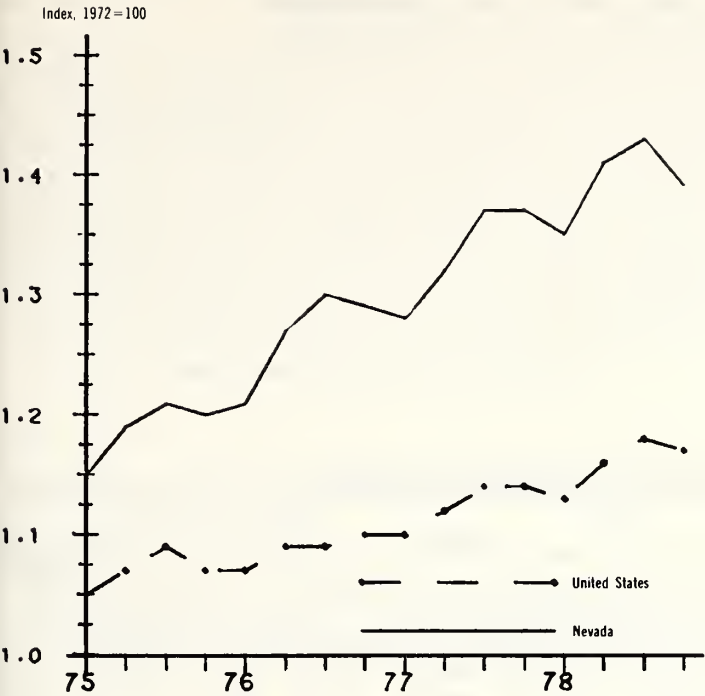


Chart 8.—Civilian Employment

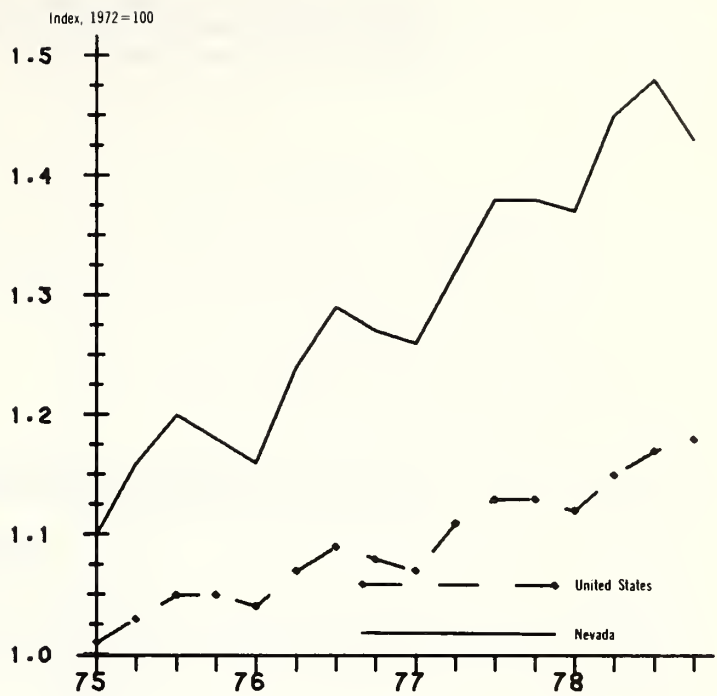


Chart 9.—Unemployment Rate

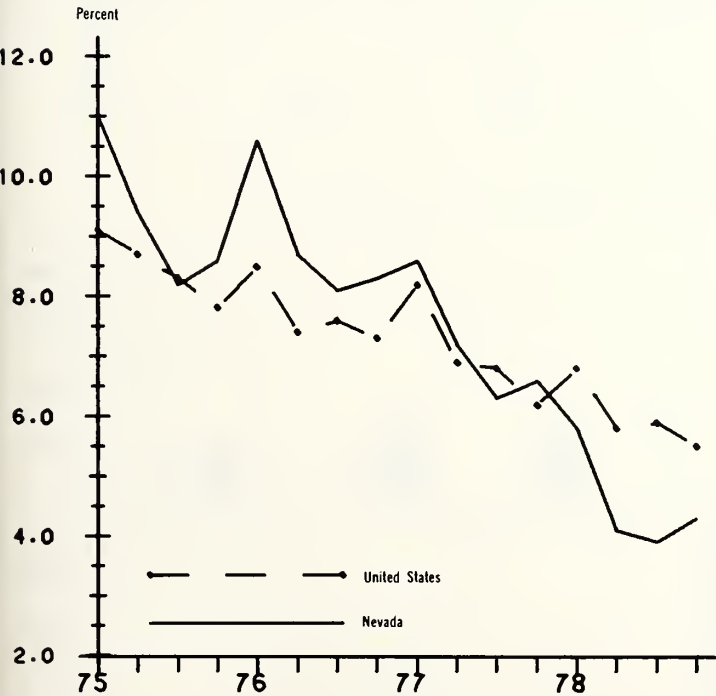
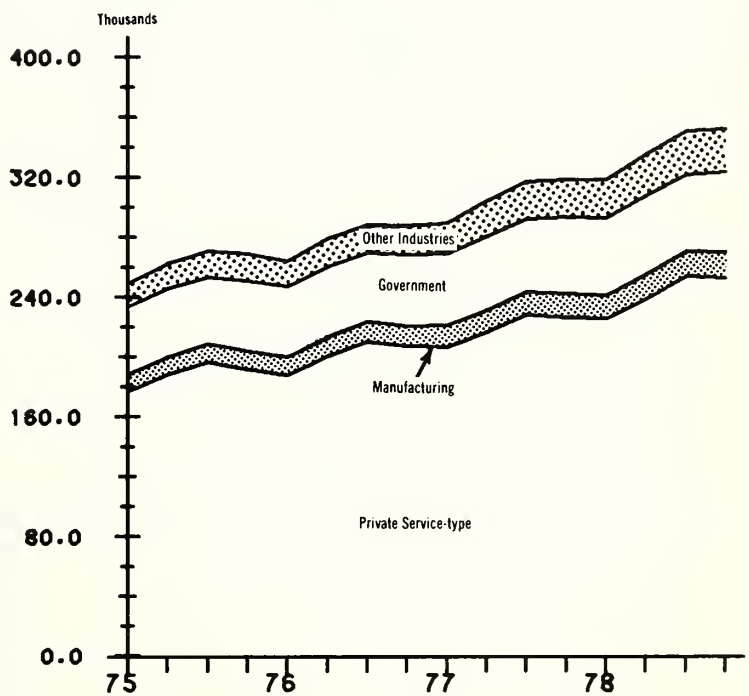


Chart 10.—Industrial Composition of Nonagricultural Employment: Nevada



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Nevada Through Fourth Quarter, 1978

| | United States | | | | | | Nevada | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|------|-------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | | | | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | | | | |
| Total loans | 610,502 | n.a. | 1,465 | 1,524 | 1,872 | n.a. | 16.3 | 27.8 | --- | --- | | | |
| Commercial and industrial | 196,317 | n.a. | 381 | 398 | 449 | n.a. | 14.2 | 17.7 | --- | --- | | | |
| Loans to individuals | 140,599 | n.a. | 382 | 400 | 500 | n.a. | 20.2 | 31.0 | --- | --- | | | |
| Real estate | 177,935 | n.a. | 646 | 681 | 876 | n.a. | 19.9 | 35.5 | --- | --- | | | |
| Residential | 101,236 | n.a. | 264 | 293 | 377 | n.a. | 21.3 | 42.9 | --- | --- | | | |
| Farms | 7,731 | n.a. | 2 | 2 | 2 | n.a. | 10.7 | -30.8 | --- | --- | | | |
| Other | 68,968 | n.a. | 380 | 386 | 497 | n.a. | 19.0 | 30.8 | --- | --- | | | |
| Farms, excluding real estate | 25,704 | n.a. | 19 | 24 | 24 | n.a. | 6.8 | 23.7 | --- | --- | | | |
| Other | 69,947 | n.a. | 36 | 21 | 23 | n.a. | 8.0 | -36.4 | --- | --- | | | |
| Total deposits | 925,511 | n.a. | 2,331 | 2,431 | 2,799 | n.a. | 11.5 | 20.1 | --- | --- | | | |
| Demand | 377,683 | n.a. | 1,011 | 1,061 | 1,198 | n.a. | 10.2 | 18.5 | --- | --- | | | |
| Time and savings | 547,828 | n.a. | 1,320 | 1,370 | 1,602 | n.a. | 12.3 | 21.3 | --- | --- | | | |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in Nevada rose 27.9 percent from 1977:IV to 1978:IV, exceeding the Nation's increase by 11.1 percentage points, to \$321 million (table 6). National construction costs rose almost 13 percent during the same timespan; if this rise reflects the advance throughout Nevada, the real valuation of contracts rose about 15 percent in the State versus about 4 percent in the Nation.

Continuing strong gains in the Clark County (Las Vegas) residential housekeeping market were mainly responsible for the State's large year-to-year gain in the total valuation of contracts. Statewide, the valuation of residential housekeeping contracts increased \$47 million, the largest increase among all construction categories in Nevada. This represented a 36.6-percent gain, well above the 15.6-percent national average gain and one of the largest gains among all States. One-family housing units in Clark County accounted for almost 60 percent of the valuation of all residential housekeeping contracts in Nevada in 1978:IV. The number of dwelling units started rose 12.3 percent (almost 500), to 4,200 units. In contrast, the number of dwelling units started in the Nation was virtually unchanged at a high level. The valuation of contracts for ad-

ditions and alterations to residential housekeeping units rose 34.4 percent, almost 20 percentage points more than nationally. The gain was larger only in Mississippi.

Reflecting a \$34 million contract for a water line in Clark County, the valuation of nonbuilding contracts increased 140.4 percent, to \$58 million in 1978:IV. Nevada's gain far outpaced the national average gain of 22.2 percent and ranked third in the Nation. Street and highway contracts rose 5.8 percent in valuation, comparing favorably with a national decline of 16.3 percent.

Nonresidential contracts rose 2.6 percent in valuation from year to year, far below the Nation's 15.8-percent gain.

The valuation of residential nonhousekeeping contracts fell to less than one-fourth of the level of 1977:IV. The decline was mainly due to a \$14 million contract in 1977:IV for the construction of a hotel in Las Vegas, which raised the State's total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change.

Chart 14.—Construction Contracts—Total Valuation

Index, 1976=100

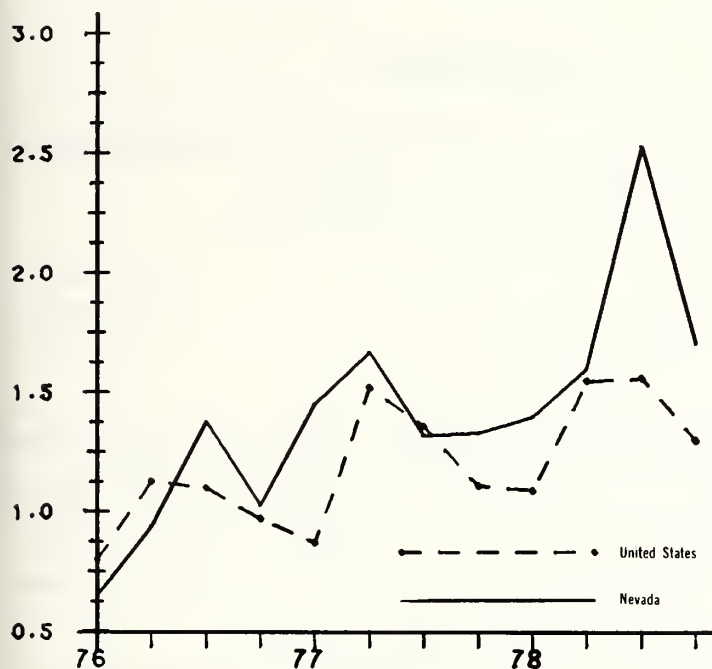


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Nevada

Million \$

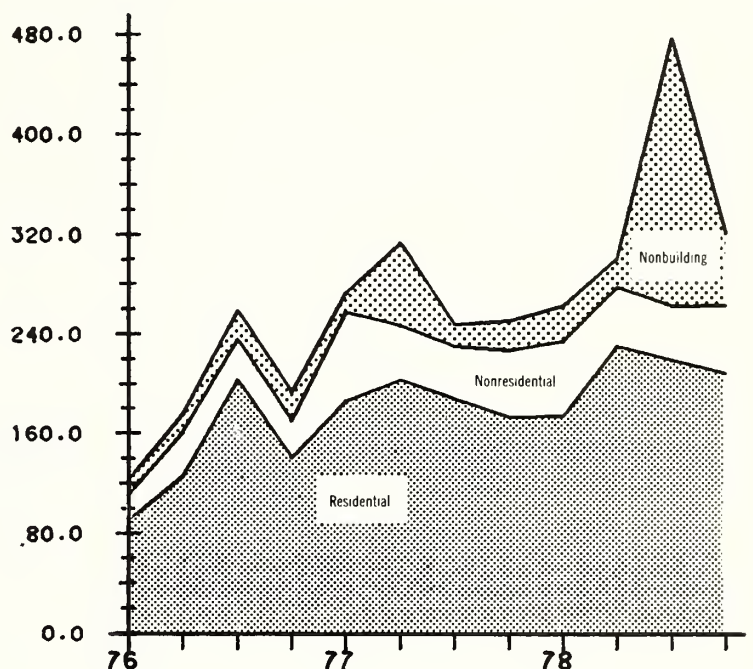


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

Percent

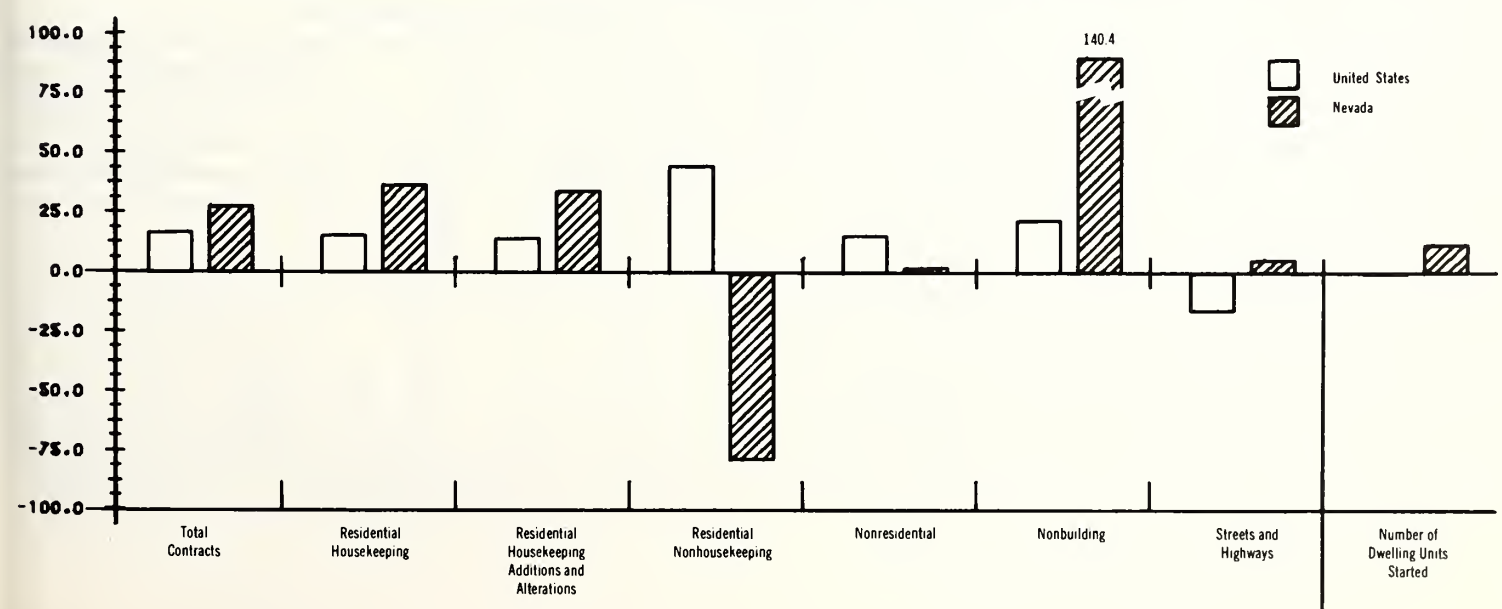


TABLE 6.—Construction Contracts, United States and Nevada Through Fourth Quarter, 1978¹

| | United States | | | Nevada | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 247,966 | 250,832 | 477,138 | 320,782 | 14.5 | 92.4 | 16.8 | 27.9 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 21,830 | 21,655 | 30,769 | 29,111 | 16.8 | 40.9 | 14.6 | 34.4 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 198 | 215 | 238 | 215 | 4.4 | 20.2 | -9.3 | .0 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 226,136 | 229,177 | 446,369 | 291,671 | 14.0 | 97.4 | 17.4 | 27.3 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 8,032 | 7,118 | 7,529 | 7,872 | 10.8 | -6.3 | 10.2 | 10.6 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 66 | 60 | 69 | 73 | -5.1 | 4.5 | -4.3 | 21.7 |
| Number of dwelling units | 445,772 | 443,075 | 4,046 | 3,773 | 4,376 | 4,238 | 1.0 | 8.2 | -6 | 12.3 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 124,568 | 127,137 | 173,401 | 173,646 | 15.3 | 39.2 | 15.6 | 36.6 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 4,864 | 4,938 | 5,966 | 6,192 | 10.3 | 22.7 | 10.7 | 25.4 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 8 | 8 | 8 | 4 | -10.0 | .0 | -4 | -50.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 42,045 | 24,476 | 14,570 | 5,234 | 9.4 | -65.3 | 44.8 | -78.6 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 1,524 | 255 | 191 | 112 | -7 | -87.5 | 24.7 | -56.1 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 82 | 108 | 111 | 100 | -2.5 | 35.4 | -12.0 | -7.4 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 41,154 | 53,481 | 43,465 | 54,891 | 27.6 | 5.6 | 15.8 | 2.6 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 1,644 | 1,926 | 1,373 | 1,568 | 12.2 | -16.5 | 8.9 | -18.6 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 42 | 39 | 50 | 38 | 22.4 | 19.0 | -9.1 | -2.6 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 18,369 | 24,083 | 214,933 | 57,900 | -1 | 70.1 | 22.2 | 140.4 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 14 | 19 | 15 | 10 | 9.3 | 7.1 | -17.8 | -47.4 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 9,584 | 17,815 | 8,992 | 18,852 | 3.0 | -6.2 | -16.3 | 5.8 |

***Percent change greater than 999.9.

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Nevada are not available.

TABLE 7.—Retail Sales, United States and Nevada Through Fourth Quarter, 1978

| | United States | | | Nevada | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Nevada Through Fourth Quarter, 1978

| | United States | | | Nevada | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 1,421 | 1,362 | 1,500 | n.a. | 8.2 | 5.6 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 4 | 5 | 5 | n.a. | -9.5 | 25.0 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 109 | 965 | 677 | n.a. | -44.2 | 521.1 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 27 | 193 | 135 | n.a. | -38.4 | 400.0 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 0 | 1 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 1 | 1 | 1 | n.a. | 1.0 | .0 | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 1 | 1 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 3 | 2 | 2 | n.a. | -4.2 | -33.3 | --- | --- |
| Commercial services | 238 | n.a. | 0 | 1 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

NEW HAMPSHIRE

Highlights

1977:IV to 1978:IV

Personal income

- Up 12.9%, 0.3 percentage point more than in U.S.
- Strong increases in construction, private service-type industries, and State and local government
- Weak increases in manufacturing and Federal Government

Consumer prices

- Up 7.5% in Boston vs. 8.9% in U.S.

Employment

- Up 3.5% vs. 3.9% in U.S., to 414,000

Unemployment

- Down between 6,000 and 7,000, to 15,000
- Rate down to 3.5% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 23.5% vs. 16.8% in U.S., to \$189 million
- Large gain in valuation of nonbuilding contracts
- Number of dwelling-unit starts up 5.2% vs. little change in U.S., to 1,664

TABLE 1.—Summary of Economic Indicators, United States and New Hampshire Through Fourth Quarter, 1978

| | United States | | | New Hampshire | | | U.S. | State | U.S. | State |
|--|--|------------|-----------|---------------|----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 5,632 | 5,896 | 6,396 | 6,654 | 12.4 | 13.6 | 12.6 | 12.9 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 3,277 | 3,475 | 3,753 | 3,937 | 12.1 | 14.5 | 12.6 | 13.3 |
| Civilian employment (thousands) | 92,442 | 96,010 | 401 | 400 | 424 | 414 | 4.1 | 5.6 | 3.9 | 3.5 |
| Unemployment (thousands) | 6,149 | 5,605 | 25 | 22 | 19 | 15 | -9.8 | -23.4 | -8.8 | -30.5 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 5.8 | 5.2 | 4.3 | 3.5 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 1,534 | 1,592 | 1,754 | n.a. | 16.3 | 14.3 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 2,109 | 2,164 | 2,365 | n.a. | 11.5 | 12.1 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 1,380,983 | 153,299 | 188,678 | 189,349 | 14.5 | -86.3 | 16.8 | 23.5 |
| Dwelling units started (number) | 445,772 | 443,075 | 1,767 | 1,582 | 1,890 | 1,664 | 1.0 | 7.0 | -6 | 5.2 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 354 | 343 | 371 | n.a. | 8.2 | 4.8 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 9 | 8 | 8 | n.a. | -9.5 | -11.1 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Boston | --- | --- | 185.0 | 185.3 | 194.2 | 199.2 | --- | 5.0 | --- | 7.5 |

n.a.: Data not available.

Source: See tables 2 through 8.

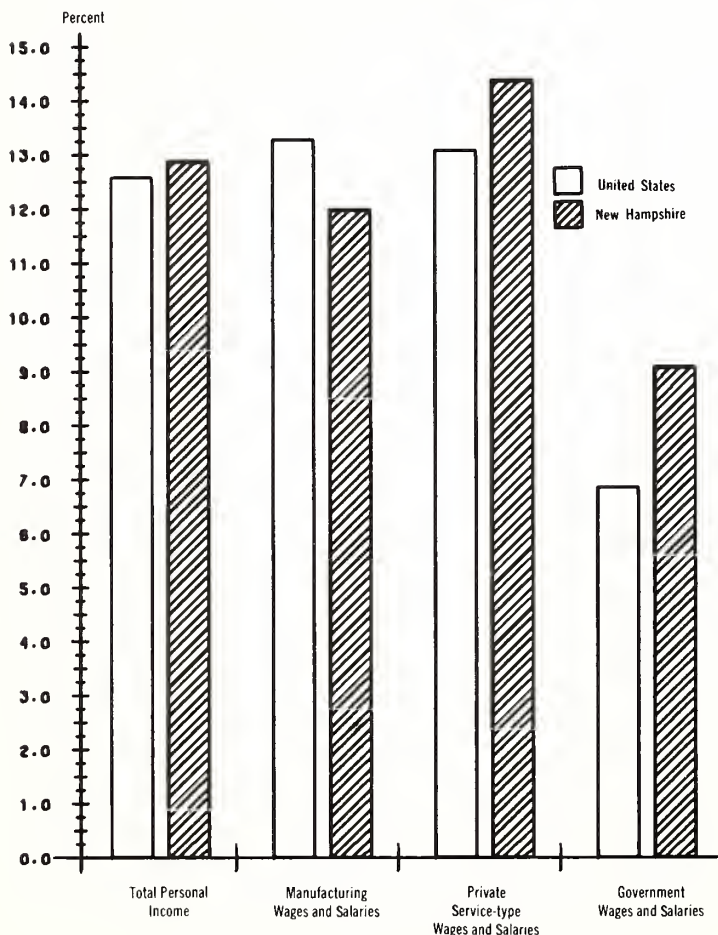
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.9 percent from 1977:IV to 1978:IV, 0.3 percentage point more than in the Nation (table 2). In 1978:IV, New Hampshire's total personal income was \$6.7 billion, up \$0.8 billion since 1977:IV. Farm income was down substantially in the State and up substantially in the Nation. Nonfarm income increased 0.7 percentage point more in New Hampshire than in the Nation. In most New England States, the increases in both total personal income and nonfarm income were fairly close to the national average.

Since the last national business cycle peak (1973:IV), New Hampshire's economic growth has been well above the national average; the increase in nonfarm income was 13 percent more than nationally, ranking New Hampshire 19th among all States. New Hampshire was the only State in the Northeast-Great Lakes manufacturing belt that grew at a well-above-average rate.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Consumer prices in Boston, the metropolitan area closest to New Hampshire for which price data are available, increased 7.5 percent from 1977:IV to 1978:IV versus a national increase of 8.9 percent (table 3). If Boston's index is used as an indicator for price movements in the State, real total personal income in New Hampshire increased 5.4 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 13.3 percent in New Hampshire versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$3.9 billion, up \$0.5 billion since 1977:IV.

Private service-type payrolls increased 14.4 percent in New Hampshire and 13.1 percent in the Nation. Strength was particularly pronounced in trade—up 18.2 percent versus 14.1 percent in the Nation. Only nine States had increases in trade payrolls that were larger than New Hampshire's. Finance-insurance-real estate payrolls increased 16.0 percent versus 13.2 percent in the Nation. In contrast, the increase in services payrolls was substantially less in New Hampshire than in the Nation.

Payrolls in construction increased 24.9 percent in New Hampshire versus 20.1 percent in the Nation. The increase in State and local government payrolls was also larger in the State than in the Nation.

In contrast, the State's manufacturing payrolls lagged—up 12.0 percent versus 13.3 percent nationally. Increases in both durable goods and nondurable goods manufacturing payrolls in New Hampshire were substantially less than increases in respective industries in the Nation. The increase in Federal Government payrolls in the State was also well below the increase in the Nation.

State unemployment insurance benefits declined 25.5 percent in New Hampshire and 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

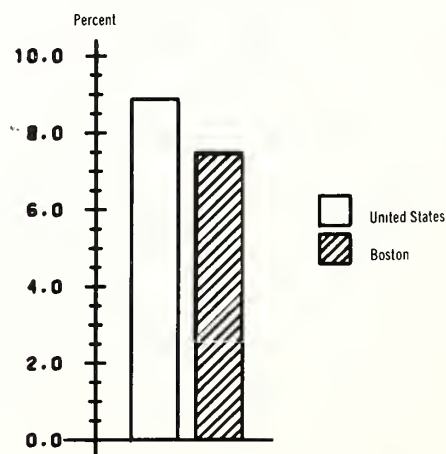


Chart 3.—Total Personal Income
[Seasonally adjusted]

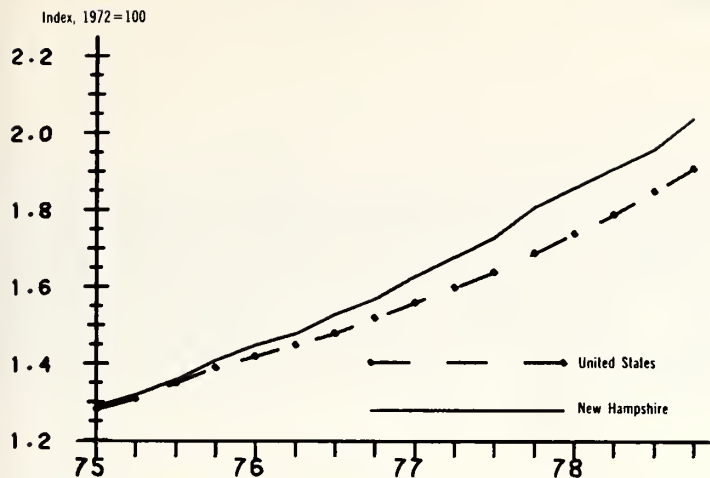


Chart 4.—Industrial Composition of Wages and Salaries: New Hampshire
[Seasonally adjusted]

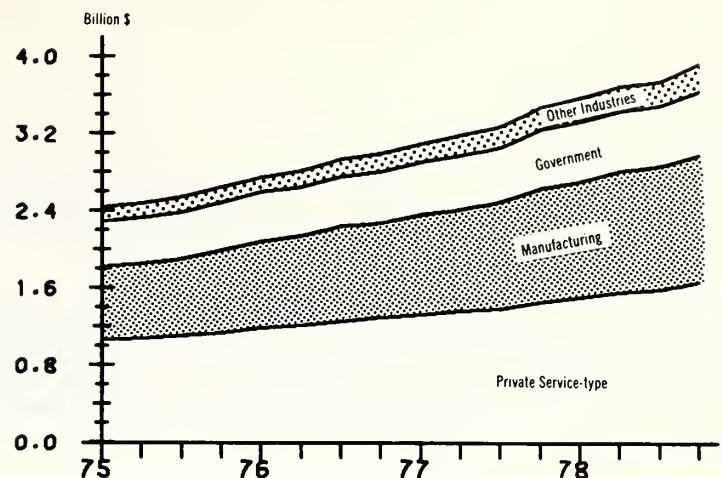


TABLE 2.—Personal Income, United States and New Hampshire Through Fourth Quarter, 1978

| | United States | | | New Hampshire | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 5,632 | 5,896 | 6,396 | 6,654 | 12.4 | 13.6 | 12.6 | 12.9 |
| Farm personal income | 31,224 | 39,451 | 16 | 17 | 13 | 13 | 47.9 | -19.3 | 26.3 | -22.1 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 5,616 | 5,879 | 6,382 | 6,641 | 11.9 | 13.7 | 12.3 | 13.0 |
| Total personal income | 1,583,508 | 1,782,519 | 5,632 | 5,896 | 6,396 | 6,654 | 12.4 | 13.6 | 12.6 | 12.9 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,277 | 3,475 | 3,753 | 3,937 | 12.1 | 14.5 | 12.6 | 13.3 |
| Other labor income | 96,016 | 111,719 | 325 | 350 | 388 | 405 | 17.0 | 19.4 | 16.4 | 16.0 |
| Proprietors' income | 105,953 | 125,995 | 301 | 308 | 331 | 351 | 21.5 | 9.8 | 18.9 | 13.7 |
| Farm | 23,636 | 31,044 | 8 | 8 | 4 | 4 | 66.6 | -46.5 | 31.3 | -52.2 |
| Nonfarm | 82,317 | 94,951 | 293 | 301 | 326 | 347 | 12.8 | 11.4 | 15.3 | 15.5 |
| Dividends, interest, and rent | 214,992 | 242,442 | 805 | 826 | 908 | 936 | 12.3 | 12.8 | 12.8 | 13.3 |
| Transfer payments | 215,944 | 233,750 | 753 | 770 | 833 | 844 | 8.8 | 10.7 | 8.2 | 9.6 |
| State unemployment insurance benefits | 11,128 | 7,753 | 18 | 21 | 19 | 15 | -24.0 | 5.0 | -30.3 | -25.5 |
| Less: personal contributions | 62,212 | 71,610 | 234 | 247 | 274 | 284 | 14.8 | 16.7 | 15.1 | 15.2 |
| Plus: residence adjustment | -401 | -473 | 407 | 414 | 457 | 466 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,277 | 3,475 | 3,753 | 3,937 | 12.1 | 14.5 | 12.6 | 13.3 |
| Farm | 7,176 | 7,939 | 8 | 8 | 8 | 8 | 8.5 | 8.2 | 10.6 | 4.9 |
| Nonfarm | 1,006,040 | 1,132,757 | 3,269 | 3,467 | 3,745 | 3,928 | 12.1 | 14.6 | 12.6 | 13.3 |
| Mining | 14,048 | 18,813 | 5 | 5 | 7 | 7 | 26.5 | 41.2 | 33.9 | 34.2 |
| Construction | 55,648 | 66,858 | 193 | 208 | 230 | 260 | 19.1 | 19.2 | 20.1 | 24.9 |
| Manufacturing | 276,112 | 312,970 | 1,106 | 1,182 | 1,282 | 1,323 | 12.1 | 15.8 | 13.3 | 12.0 |
| Durable goods | 176,216 | 203,053 | 665 | 727 | 798 | 826 | 13.7 | 20.0 | 15.2 | 13.6 |
| Nondurable goods | 99,896 | 109,917 | 441 | 455 | 484 | 497 | 9.4 | 9.6 | 10.0 | 9.3 |
| Private service-type | 455,764 | 515,348 | 1,391 | 1,462 | 1,589 | 1,672 | 12.8 | 14.2 | 13.1 | 14.4 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 171 | 180 | 195 | 201 | 10.4 | 13.9 | 11.3 | 11.5 |
| Wholesale and retail trade | 170,888 | 195,035 | 558 | 585 | 665 | 691 | 13.6 | 19.1 | 14.1 | 18.2 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 165 | 169 | 187 | 196 | 14.1 | 13.2 | 13.2 | 16.0 |
| Services | 153,840 | 173,396 | 497 | 528 | 543 | 584 | 12.6 | 9.2 | 12.7 | 10.6 |
| Government | 201,252 | 215,083 | 567 | 604 | 629 | 659 | 7.4 | 11.0 | 6.9 | 9.1 |
| Federal | 68,176 | 73,003 | 172 | 184 | 189 | 193 | 7.3 | 9.6 | 7.1 | 5.4 |
| State and local | 133,076 | 142,080 | 395 | 420 | 441 | 465 | 7.5 | 11.6 | 6.8 | 10.7 |
| Other | 3,216 | 3,685 | 7 | 7 | 8 | 8 | 18.7 | 15.3 | 14.6 | 14.3 |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and New Hampshire Through Fourth Quarter, 1978¹

| | United States | | | New Hampshire | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Boston | --- | --- | 185.0 | 185.3 | 194.2 | 199.2 | --- | 5.0 | --- | 7.5 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the **civilian labor force** increased 1.8 percent, 1.3 percentage points less than in the Nation (table 4). **Total employment** in New Hampshire increased 3.5 percent, 0.4 percentage point less than nationally, to 414,000.

With employment increasing by about 14,000 and the labor force increasing by about 8,000, **unemployment** declined by between 6,000 and 7,000, to 15,000. In 1978:IV, the **unemployment rate** in New Hampshire was 3.5 percent versus a national rate of 5.5 percent. The State's unemployment rate was exceeded in 42 States, and it was the lowest rate

in New England. New Hampshire's rate declined 1.7 percentage points from 1977:IV to 1978:IV versus a national decline of only 0.7 percentage point. All New England States except Connecticut had sharp year-to-year declines in unemployment rates. Only three States in the Nation had declines sharper than New Hampshire's: Nevada (2.3 percentage points) and Rhode Island and Maine (2.0 percentage points each). While in 1977:IV, New Hampshire's unemployment rate was 1 percentage point below the national rate, in 1978:IV, it was 2 percentage points below.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: New Hampshire

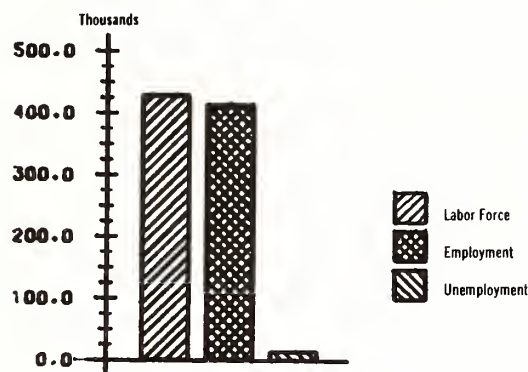


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

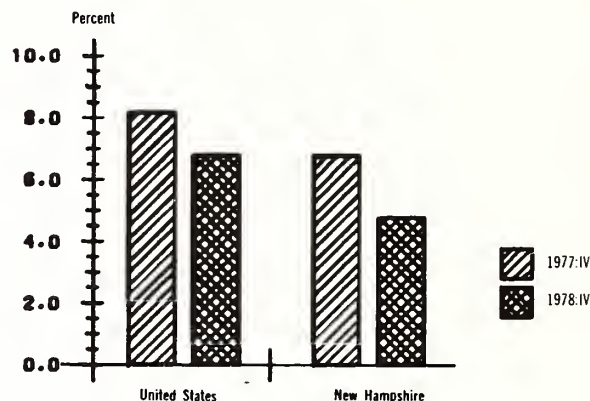


TABLE 4.—Labor Force, United States and New Hampshire Through Fourth Quarter, 1978

| | United States | | | New Hampshire | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 350 | 351 | 372 | 372 | 4.3 | 6.5 | 4.2 | 6.0 |
| Mining | 787 | 899 | 1 | 1 | 0 | 0 | 8.2 | -20.0 | 14.2 | -20.0 |
| Construction | 4,032 | 4,488 | 21 | 21 | 24 | 24 | 10.4 | 12.4 | 11.3 | 11.7 |
| Manufacturing | 19,986 | 20,722 | 102 | 105 | 106 | 108 | 3.1 | 3.6 | 3.7 | 3.2 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 12 | 13 | 13 | 13 | 3.8 | 3.2 | 4.4 | 4.8 |
| Wholesale and retail trade | 19,152 | 20,015 | 78 | 77 | 84 | 83 | 5.3 | 8.5 | 4.5 | 8.2 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 16 | 17 | 18 | 18 | 4.8 | 9.1 | -2.0 | 9.0 |
| Services | 15,539 | 16,215 | 69 | 64 | 73 | 68 | 4.6 | 6.7 | 4.4 | 7.1 |
| Government | 15,434 | 15,656 | 51 | 55 | 54 | 57 | 2.1 | 6.3 | 1.4 | 4.8 |
| Civilian labor force ³ | 98,591 | 101,615 | 426 | 422 | 443 | 430 | 3.2 | 4.0 | 3.1 | 1.8 |
| Total employed | 92,442 | 96,010 | 401 | 400 | 424 | 414 | 4.1 | 5.6 | 3.9 | 3.5 |
| Total unemployed | 6,149 | 5,605 | 25 | 22 | 19 | 15 | -9.8 | -23.4 | -8.8 | -30.5 |
| Percent unemployed | 6.2 | 5.5 | 5.8 | 5.2 | 4.3 | 3.5 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

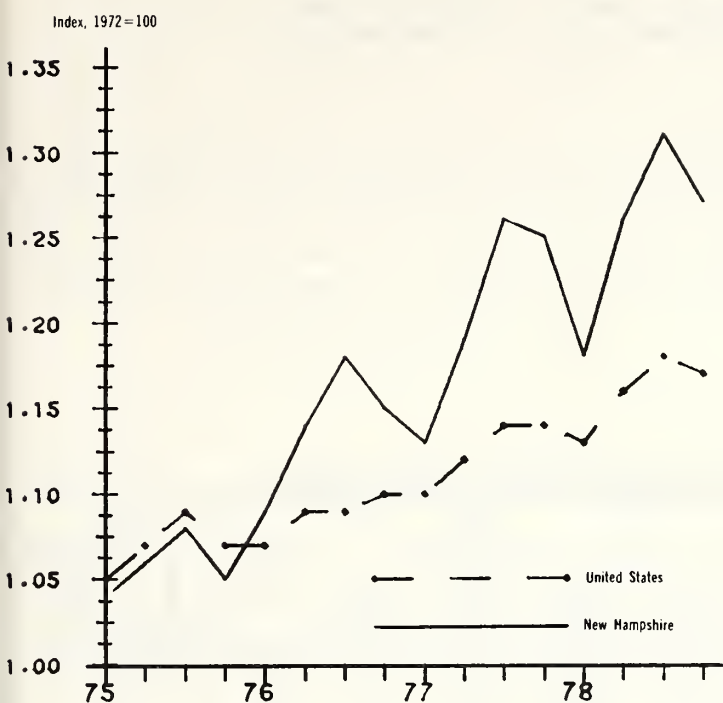


Chart 8.—Civilian Employment

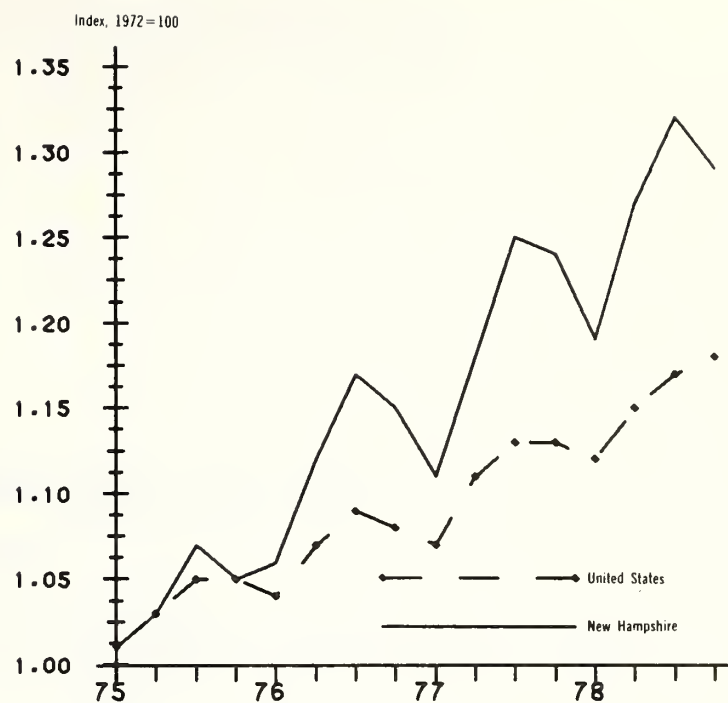


Chart 9.—Unemployment Rate

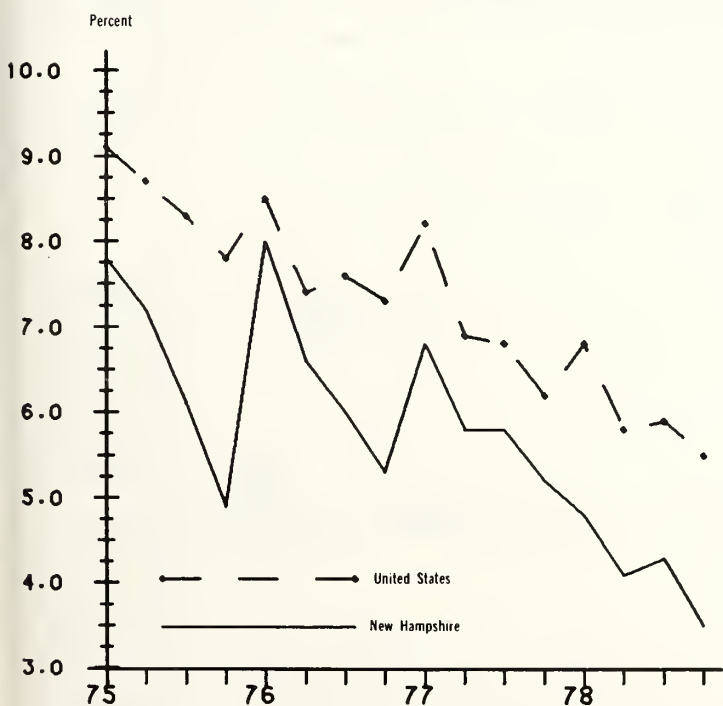
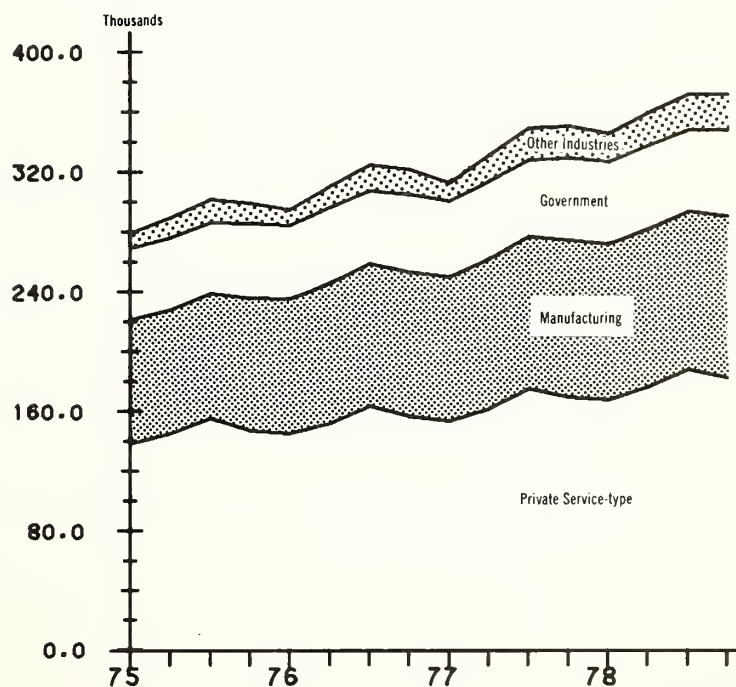


Chart 10.—Industrial Composition of Nonagricultural Employment: New Hampshire



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and New Hampshire Through Fourth Quarter, 1978

| | United States | | | New Hampshire | | | U.S. | State | U.S. | State |
|------------------------------|---|---------|----------|---------------|---------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:II | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 1,534 | 1,592 | 1,754 | n.a. | 16.3 | 14.3 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 370 | 373 | 400 | n.a. | 14.2 | 8.1 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 422 | 428 | 484 | n.a. | 20.2 | 14.8 | --- | --- |
| Real estate | 177,935 | n.a. | 725 | 770 | 849 | n.a. | 19.9 | 17.2 | --- | --- |
| Residential | 101,236 | n.a. | 481 | 512 | 573 | n.a. | 21.3 | 19.0 | --- | --- |
| Farms | 7,731 | n.a. | 5 | 5 | 6 | n.a. | 10.7 | 16.0 | --- | --- |
| Other | 68,968 | n.a. | 238 | 252 | 271 | n.a. | 19.0 | 13.7 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 3 | 3 | 3 | n.a. | 6.8 | 9.9 | --- | --- |
| Other | 69,947 | n.a. | 16 | 18 | 18 | n.a. | 8.0 | 13.5 | --- | --- |
| Total deposits | 925,511 | n.a. | 2,109 | 2,164 | 2,365 | n.a. | 11.5 | 12.1 | --- | --- |
| Demand | 377,683 | n.a. | 586 | 658 | 643 | n.a. | 10.2 | 9.8 | --- | --- |
| Time and savings | 547,828 | n.a. | 1,523 | 1,506 | 1,721 | n.a. | 12.3 | 13.0 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 23.5 percent in New Hampshire, 6.7 percentage points more than nationally (table 6). In 1978:IV, contracts in the State totaled \$189 million, for a gain over the year of \$36 million. About one-half of New Hampshire's gain was traceable to a \$17 million contract in 1978:IV for a sewage treatment plant in Merrimack County. This contract raised the total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. If the treatment plant is excluded, the total valuation of contracts in the State increased 12 percent.

National construction costs increased about 13 percent; if this increase is representative of cost changes in New Hampshire, the real valuation of construction contracts in the State (including the sewage treatment plant) increased about 10 percent versus about 4 percent nationally.

The valuation of nonbuilding contracts increased 146.6 percent in New Hampshire versus 22.2 percent in the Nation. Only South Dakota

registered a stronger advance (226.4 percent). Nonbuilding in New Hampshire benefited from both the contract for the sewage treatment plant and from a large increase (154.4 percent) in the valuation of street and highway contracts. Nationally, the valuation of street and highway contracts was down 16.3 percent.

The valuation of residential housekeeping contracts increased 11.3 percent in the State versus 15.6 percent nationwide. The number of dwelling units started increased 5.2 percent, to 1,664 units, for a gain over the year of 82 units. Nationally, in contrast, the number of dwelling units started was virtually unchanged at a high level. Contracts for additions and alterations to residential housekeeping units increased only 0.5 percent in valuation in the State versus 14.6 percent in the Nation.

Nonresidential contracts declined 6.9 percent in valuation in the State versus a gain of 15.8 percent nationally. This was the only decline registered among New Hampshire's major construction categories.

Chart 14.—Construction Contracts—Total Valuation

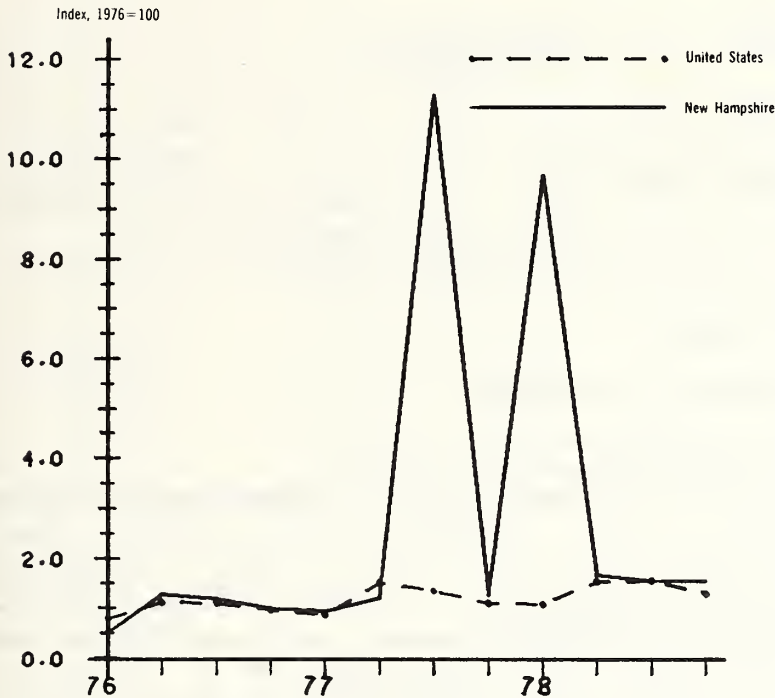


Chart 15.—Construction Contracts—Valuation of Contracts by Type: New Hampshire

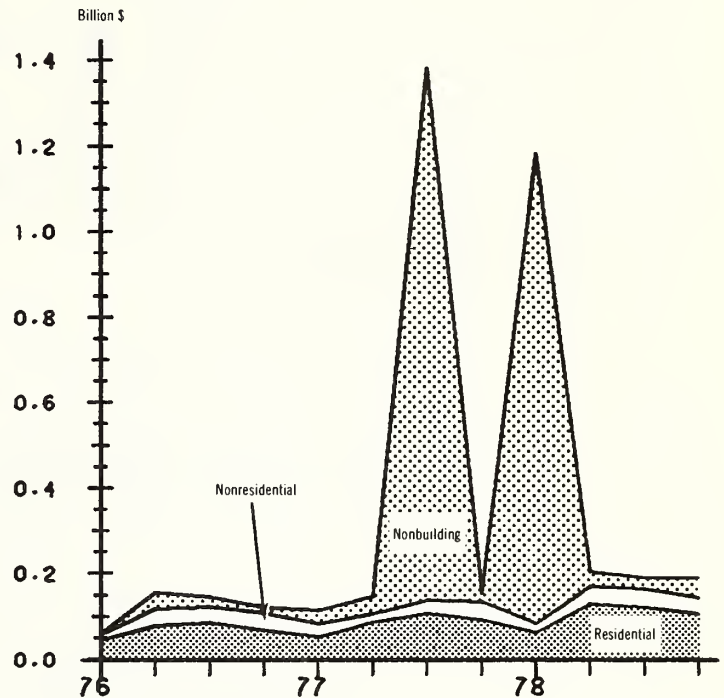


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

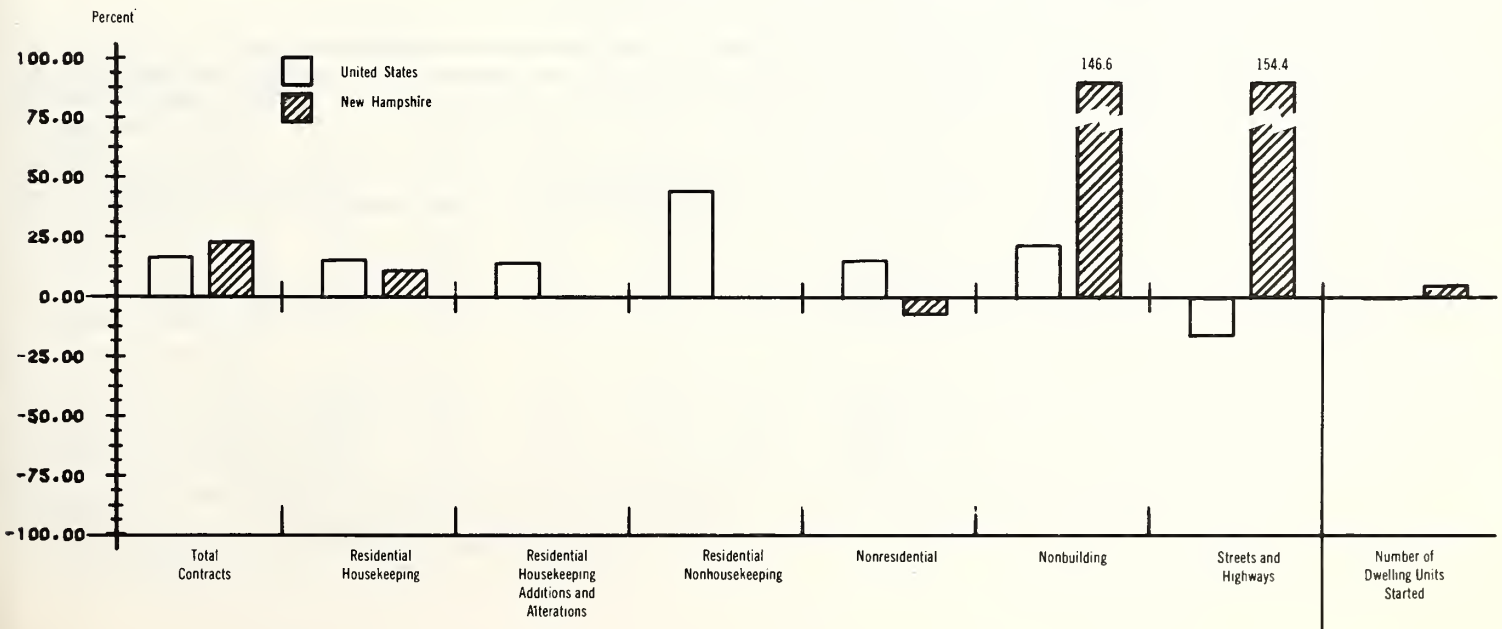


TABLE 6.—Construction Contracts, United States and New Hampshire Through Fourth Quarter, 1978¹

| | United States | | | New Hampshire | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|------------------|----------------|----------------|----------------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 1,380,983 | 153,299 | 188,678 | 189,349 | 14.5 | -86.3 | 16.8 | 23.5 |
| Residential housekeeping, additions and alterations: Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 46,768 | 36,949 | 48,265 | 37,122 | 16.8 | 3.2 | 14.6 | .5 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 191 | 188 | 220 | 199 | 4.4 | 15.2 | -9.3 | 5.9 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 1,334,215 | 116,350 | 140,413 | 152,227 | 14.0 | -89.5 | 17.4 | 30.8 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 3,355 | 3,744 | 4,389 | 3,703 | 10.8 | 30.8 | 10.2 | -1.1 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 40 | 48 | 39 | 42 | -5.1 | -2.5 | -4.3 | -12.5 |
| Number of dwelling units | 445,772 | 443,075 | 1,767 | 1,582 | 1,890 | 1,664 | 1.0 | 7.0 | -6 | 5.2 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 61,312 | 56,522 | 72,935 | 62,925 | 15.3 | 19.0 | 15.6 | 11.3 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 2,458 | 2,265 | 2,878 | 2,426 | 10.3 | 17.1 | 10.7 | 7.1 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 4 | 0 | 0 | 3 | -10.0 | --- | -4 | --- |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 750 | 0 | 0 | 5,850 | 9.4 | --- | 44.8 | --- |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 14 | 0 | 0 | 169 | -7 | --- | 24.7 | --- |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 81 | 81 | 84 | 97 | -2.5 | 3.7 | -12.0 | 19.8 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 31,164 | 41,754 | 42,918 | 38,880 | 27.6 | 37.7 | 15.8 | -6.9 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 883 | 1,479 | 1,511 | 1,108 | 12.2 | 71.2 | 8.9 | -25.1 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 66 | 59 | 97 | 57 | 22.4 | 47.0 | -9.1 | -3.4 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 1,240,989 | 18,074 | 24,560 | 44,572 | -.1 | -98.0 | 22.2 | 146.6 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 30 | 12 | 25 | 12 | 9.3 | -16.7 | -17.8 | .0 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 11,849 | 4,195 | 8,327 | 10,673 | 3.0 | -29.7 | -16.3 | 154.4 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for New Hampshire are not available.

TABLE 7.—Retail Sales, United States and New Hampshire Through Fourth Quarter, 1978

| | United States | | | New Hampshire | | | U.S. | State | U.S. | State |
|---------------------------|--|----------------|-------------|---------------|-------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and New Hampshire Through Fourth Quarter, 1978

| | United States | | | New Hampshire | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------|------------|---------------|------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 354 | 343 | 371 | n.a. | 8.2 | 4.8 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 9 | 8 | 8 | n.a. | -9.5 | -11.1 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 1,061 | 1,327 | 5,077 | n.a. | -44.2 | 378.5 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 118 | 166 | 635 | n.a. | -38.4 | 438.1 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 0 | 2 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 0 | 3 | 1 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 1 | 1 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 6 | 3 | 4 | n.a. | -4.2 | -33.3 | --- | --- |
| Commercial services | 238 | n.a. | 3 | 1 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



NEW JERSEY

Highlights

1977:IV to 1978:IV

- Personal income** —Up 10.9%, 1.7 percentage points less than in U.S.
 —Weak increases in manufacturing, trade, and finance-insurance-real estate
 —Strong increase in construction
- Consumer prices** —Up 6.2% in the New York City-Northeast New Jersey area and 7.2% in Philadelphia vs. 8.9% in U.S.
- Employment** —Up 6.1% vs. 3.9% in U.S., to 3.3 million
- Unemployment** —Down 42,000, to 229,000
 —Rate down to 6.4% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of contracts up 10.8% vs. 16.8% in U.S., to \$1.2 billion
 —Large gain in valuation of nonresidential contracts
 —Number of dwelling-unit starts up 5.5% vs. little change in U.S., to 9,645
- Retail sales** —Up 18.3% vs. 11.2% in U.S., to \$8.3 billion

TABLE 1.—Summary of Economic Indicators, United States and New Jersey Through Fourth Quarter, 1978

| | United States | | | New Jersey | | | U.S. | State | U.S. | State |
|--|--|------------|-----------|------------|-----------|-----------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 59,209 | 60,382 | 65,739 | 66,965 | 12.4 | 11.0 | 12.6 | 10.9 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 35,103 | 35,744 | 39,139 | 39,723 | 12.1 | 11.5 | 12.6 | 11.1 |
| Civilian employment (thousands) | 92,442 | 96,010 | 3,084 | 3,148 | 3,250 | 3,339 | 4.1 | 5.4 | 3.9 | 6.1 |
| Unemployment (thousands) | 6,149 | 5,605 | 315 | 271 | 255 | 229 | -9.8 | -19.1 | -8.8 | -15.5 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 9.3 | 7.9 | 7.3 | 6.4 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 15,015 | 15,533 | 17,075 | n.a. | 16.3 | 13.7 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 24,534 | 25,710 | 26,377 | n.a. | 11.5 | 7.5 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 1,039,862 | 1,090,407 | 1,135,921 | 1,208,376 | 14.5 | 9.2 | 16.8 | 10.8 |
| Dwelling units started (number) | 445,772 | 443,075 | 9,782 | 9,143 | 9,705 | 9,645 | 1.0 | -8 | -6 | 5.5 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 5,974 | 7,020 | 6,398 | 8,306 | 10.3 | 7.1 | 11.2 | 18.3 |
| New business incorporations (number) | 109,411 | n.a. | 4,558 | 4,823 | 5,011 | n.a. | 8.2 | 9.9 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 104 | 115 | 89 | n.a. | -9.5 | -14.4 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| New York City—Northeast New Jersey | --- | --- | 187.0 | 188.3 | 196.8 | 200.0 | --- | 5.2 | --- | 6.2 |
| Philadelphia | --- | --- | 185.4 | 187.1 | 197.2 | 200.6 | --- | 6.4 | --- | 7.2 |

n.a.: Data not available.

Source: See tables 2 through 8.

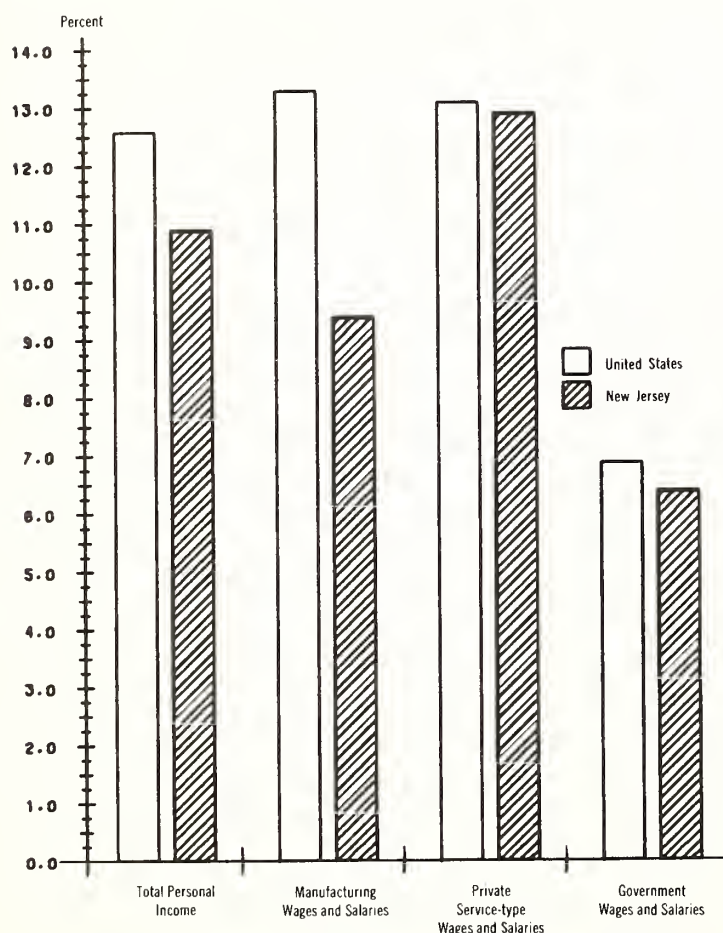
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.9 percent from 1977:IV to 1978:IV, 1.7 percentage points less than in the Nation (table 2). Among all States, New Jersey's increase ranked 38th. In 1978:IV, the State's personal income totaled \$67.0 billion, for an increase of \$6.6 billion since 1977:IV. Changes in most major income components were below those registered in corresponding components nationally. Like New Jersey, most of the States in the Mideast region had increases in total personal income that were well below the national average.

Since the last national business cycle peak (1973:IV), New Jersey's economy has grown slowly; the increase in nonfarm income was 21 percent less than nationally, ranking New Jersey 49th among all States. New York, with a 30-percent lag, ranked 50th. All of the Mideast States had well-below-average increases in nonfarm income.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Consumer prices from 1977:IV to 1978:IV increased 6.2 percent in the New York City-Northeast New Jersey area and 7.2 percent in the Philadelphia area; both of these increases were well below the national increase of 8.9 percent (table 3). If the average price increase in these areas—6.7 percent—is used as an indicator for price movements in the State, real total personal income in New Jersey increased 4.2 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 11.1 percent in the State versus 12.6 percent in the Nation. In 1978:IV, they totaled \$39.7 billion, up \$4.0 billion from year to year.

Manufacturing payrolls increased 9.4 percent in New Jersey versus 13.3 percent in the Nation. Among all States, the increase ranked 45th. In 1978:IV, manufacturing payrolls accounted for 30.9 percent of all payrolls in the State versus a weight of 27.4 percent in the Nation. The payroll increases in both durable and nondurable goods manufacturing were smaller in New Jersey than in the Nation, as were increases in trade, finance-insurance-real estate, and services.

In contrast, the payroll increase in transportation-communication-public utilities was larger in the State than in the Nation—13.9 versus 11.3 percent. Similarly, construction payrolls increased 24.8 percent in New Jersey versus 20.1 percent in the Nation. The increase in State and local government payrolls was about as large in New Jersey as in the Nation, and the increase in Federal Government payrolls was smaller in the State than in the Nation.

With New Jersey's economic advance lagging the national advance, State unemployment insurance benefits declined 10.4 percent versus a decline of 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

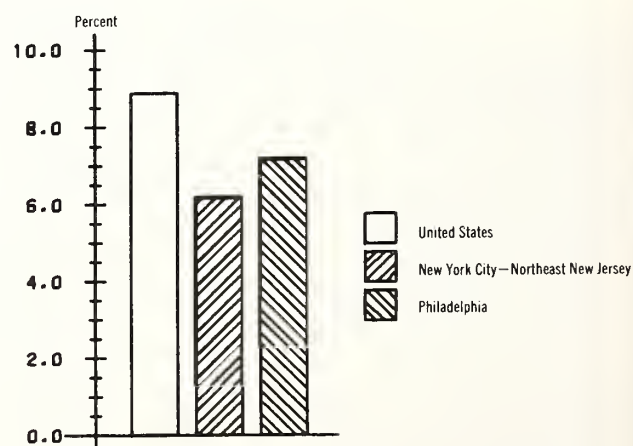


Chart 3.—Total Personal Income
[Seasonally adjusted]

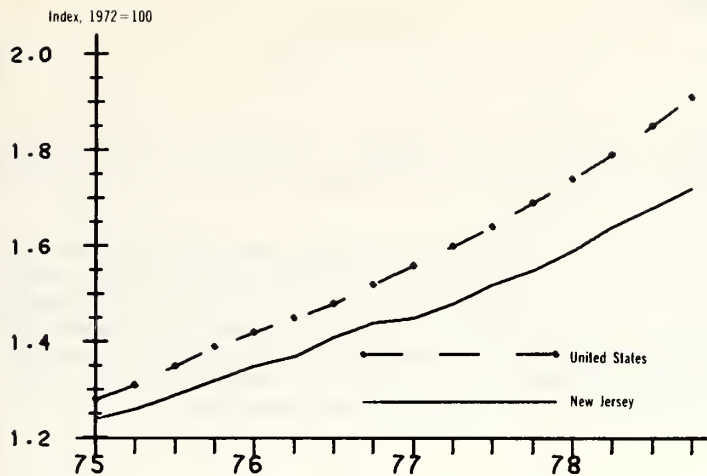


Chart 4.—Industrial Composition of Wages and Salaries: New Jersey
[Seasonally adjusted]

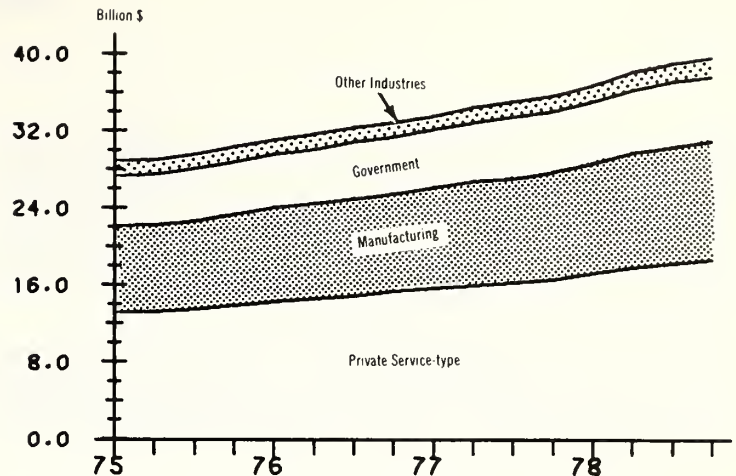


TABLE 2.—Personal Income, United States and New Jersey Through Fourth Quarter, 1978

| | United States | | | New Jersey | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 59,209 | 60,382 | 65,739 | 66,965 | 12.4 | 11.0 | 12.6 | 10.9 |
| Farm personal income | 31,224 | 39,451 | 103 | 112 | 130 | 127 | 47.9 | 26.5 | 26.3 | 14.0 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 59,106 | 60,271 | 65,609 | 66,838 | 11.9 | 11.0 | 12.3 | 10.9 |
| Total personal income | 1,583,508 | 1,782,519 | 59,209 | 60,382 | 65,739 | 66,965 | 12.4 | 11.0 | 12.6 | 10.9 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 35,103 | 35,744 | 39,139 | 39,723 | 12.1 | 11.5 | 12.6 | 11.1 |
| Other labor income | 96,016 | 111,719 | 3,364 | 3,486 | 3,905 | 3,978 | 17.0 | 16.1 | 16.4 | 14.1 |
| Proprietors' income | 105,953 | 125,995 | 2,679 | 2,733 | 3,008 | 3,098 | 21.5 | 12.3 | 18.9 | 13.4 |
| Farm | 23,636 | 31,044 | 27 | 34 | 50 | 44 | 66.6 | 82.9 | 31.3 | 30.9 |
| Nonfarm | 82,317 | 94,951 | 2,652 | 2,699 | 2,958 | 3,054 | 12.8 | 11.5 | 15.3 | 13.2 |
| Dividends, interest, and rent | 214,992 | 242,442 | 7,841 | 8,024 | 8,725 | 8,959 | 12.3 | 11.3 | 12.8 | 11.7 |
| Transfer payments | 215,944 | 233,750 | 7,605 | 7,703 | 8,226 | 8,336 | 8.8 | 8.2 | 8.2 | 8.2 |
| State unemployment insurance benefits | 11,128 | 7,753 | 775 | 739 | 679 | 662 | -24.0 | -12.4 | -30.3 | -10.4 |
| Less: personal contributions | 62,212 | 71,610 | 2,204 | 2,237 | 2,508 | 2,532 | 14.8 | 13.8 | 15.1 | 13.2 |
| Plus: residence adjustment | -401 | -473 | 4,822 | 4,930 | 5,245 | 5,404 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 35,103 | 35,744 | 39,139 | 39,723 | 12.1 | 11.5 | 12.6 | 11.1 |
| Farm | 7,176 | 7,939 | 69 | 71 | 72 | 75 | 8.5 | 5.6 | 10.6 | 6.4 |
| Nonfarm | 1,006,040 | 1,132,757 | 35,034 | 35,674 | 39,067 | 39,648 | 12.1 | 11.5 | 12.6 | 11.1 |
| Mining | 14,048 | 18,813 | 40 | 39 | 47 | 48 | 26.5 | 16.4 | 33.9 | 24.7 |
| Construction | 55,648 | 66,858 | 1,436 | 1,438 | 1,766 | 1,795 | 19.1 | 23.0 | 20.1 | 24.8 |
| Manufacturing | 276,112 | 312,970 | 10,851 | 11,221 | 12,047 | 12,280 | 12.1 | 11.0 | 13.3 | 9.4 |
| Durable goods | 176,216 | 203,053 | 5,362 | 5,591 | 6,054 | 6,232 | 13.7 | 12.9 | 15.2 | 11.5 |
| Nondurable goods | 99,896 | 109,917 | 5,489 | 5,630 | 5,993 | 6,048 | 9.4 | 9.2 | 10.0 | 7.4 |
| Private service-type | 455,764 | 515,348 | 16,293 | 16,596 | 18,332 | 18,733 | 12.8 | 12.5 | 13.1 | 12.9 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 2,953 | 2,983 | 3,354 | 3,398 | 10.4 | 13.6 | 11.3 | 13.9 |
| Wholesale and retail trade | 170,888 | 195,035 | 6,189 | 6,338 | 6,942 | 7,163 | 13.6 | 12.2 | 14.1 | 13.0 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 1,735 | 1,731 | 1,904 | 1,943 | 14.1 | 9.8 | 13.2 | 12.3 |
| Services | 153,840 | 173,396 | 5,417 | 5,545 | 6,133 | 6,229 | 12.6 | 13.2 | 12.7 | 12.3 |
| Government | 201,252 | 215,083 | 6,338 | 6,303 | 6,787 | 6,705 | 7.4 | 7.1 | 6.9 | 6.4 |
| Federal | 68,176 | 73,003 | 1,561 | 1,620 | 1,651 | 1,715 | 7.3 | 5.8 | 7.1 | 5.9 |
| State and local | 133,076 | 142,080 | 4,778 | 4,683 | 5,136 | 4,990 | 7.5 | 7.5 | 6.8 | 6.6 |
| Other | 3,216 | 3,685 | 76 | 78 | 88 | 87 | 18.7 | 16.7 | 14.6 | 12.0 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and New Jersey Through Fourth Quarter, 1978¹

| | United States | | | New Jersey | | | U.S. | State | U.S. | State |
|--|--|---------|----------|------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967=100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| New York City—Northeast New Jersey | --- | --- | 187.0 | 188.3 | 196.8 | 200.0 | --- | 5.2 | --- | 6.2 |
| Philadelphia | --- | --- | 185.4 | 187.1 | 197.2 | 200.6 | --- | 6.4 | --- | 7.2 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the labor market in New Jersey was strong. The **civilian labor force** increased 4.3 percent, 1.2 percentage points more than in the Nation (table 4). Only thirteen States had larger increases. **Total employment** in New Jersey increased 6.1 percent, 2.2 percentage points more than in the Nation, to 3.3 million. Only seven States had larger increases. New Jersey's employment increase was the largest in the Northeast-Great Lakes manufacturing belt.

With the labor force increasing 149,000 in the State and employment increasing 191,000, **unemployment** declined 42,000, to 229,000. New Jersey's **unemployment rate** declined 1.5 percentage points, to 6.4 percent of the labor force in 1978:IV. Despite the large decline, New

Jersey's rate was the ninth highest in the Nation. The Nation's unemployment rate declined 0.7 percentage point, to 5.5 percent of the labor force in 1978:IV.

In December 1978, the preliminary unemployment rate in the State was 6.9 percent, unchanged from a year previous. Rates in the State ranged from 4.8 percent in Trenton to 11.0 percent in Jersey City. Rates of 10.3 and 10.5 percent were registered in Atlantic City and Vineland-Millville-Bridgeton, respectively. In Newark, which accounts for nearly one-third of New Jersey's labor force, the preliminary unemployment rate was 6.1 percent, down 0.2 percentage point since December 1977.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: New Jersey

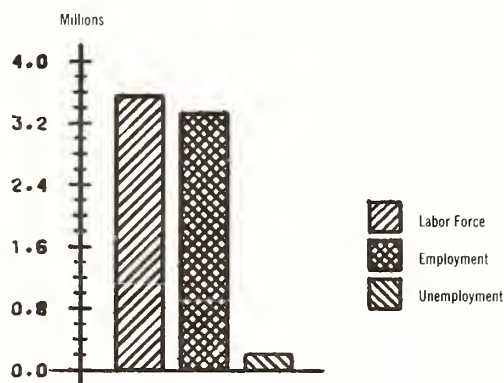


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

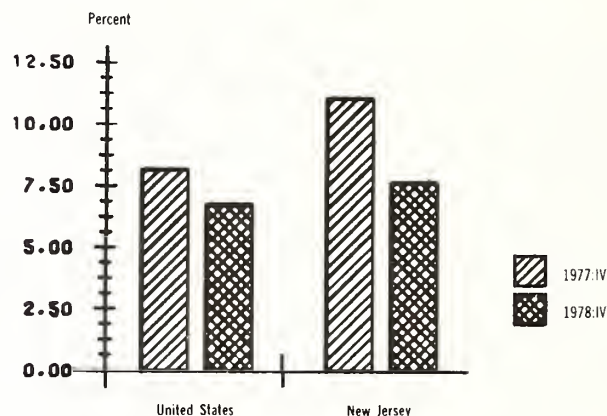


TABLE 4.—Labor Force, United States and New Jersey Through Fourth Quarter, 1978

| | United States | | | New Jersey | | | U.S. | State | U.S. | State |
|---|--|---------|----------|------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 2,894 | 2,903 | 2,983 | 2,975 | 4.3 | 3.1 | 4.2 | 2.5 |
| Mining | 787 | 899 | 3 | 3 | 3 | 3 | 8.2 | -3.3 | 14.2 | -9.7 |
| Construction | 4,032 | 4,488 | 104 | 106 | 118 | 116 | 10.4 | 13.4 | 11.3 | 9.7 |
| Manufacturing | 19,986 | 20,722 | 774 | 782 | 785 | 793 | 3.1 | 1.4 | 3.7 | 1.4 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 181 | 183 | 191 | 192 | 3.8 | 5.2 | 4.4 | 4.6 |
| Wholesale and retail trade | 19,152 | 20,015 | 649 | 654 | 662 | 669 | 5.3 | 2.0 | 4.5 | 2.3 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 146 | 145 | 153 | 151 | 4.8 | 4.5 | -2.0 | 4.4 |
| Services | 15,539 | 16,215 | 534 | 527 | 556 | 542 | 4.6 | 4.2 | 4.4 | 2.8 |
| Government | 15,434 | 15,656 | 503 | 502 | 515 | 509 | 2.1 | 2.5 | 1.4 | 1.4 |
| Civilian labor force ³ | 98,591 | 101,615 | 3,399 | 3,419 | 3,505 | 3,568 | 3.2 | 3.1 | 3.1 | 4.3 |
| Total employed | 92,442 | 96,010 | 3,084 | 3,148 | 3,250 | 3,339 | 4.1 | 5.4 | 3.9 | 6.1 |
| Total unemployed | 6,149 | 5,605 | 315 | 271 | 255 | 229 | -9.8 | -19.1 | -8.8 | -15.5 |
| Percent unemployed | 6.2 | 5.5 | 9.3 | 7.9 | 7.3 | 6.4 | — | — | — | — |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

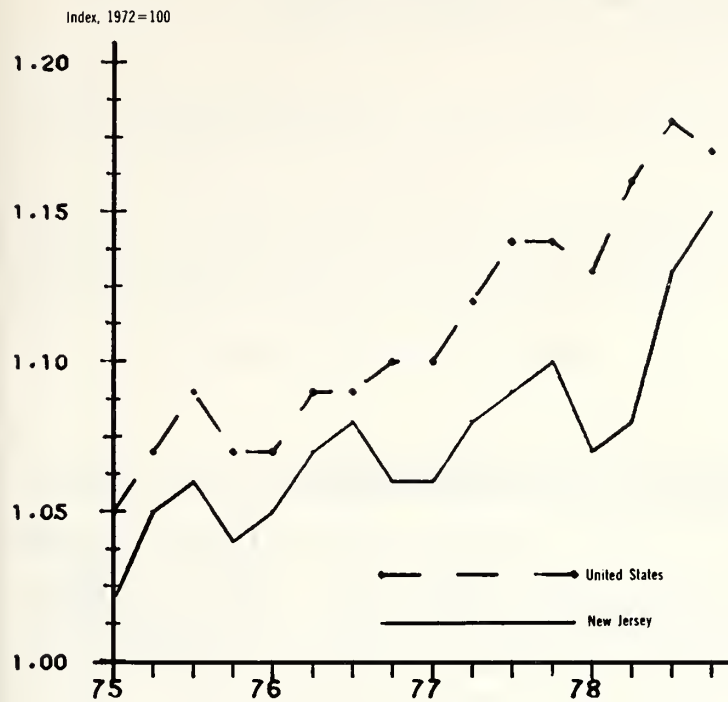


Chart 8.—Civilian Employment

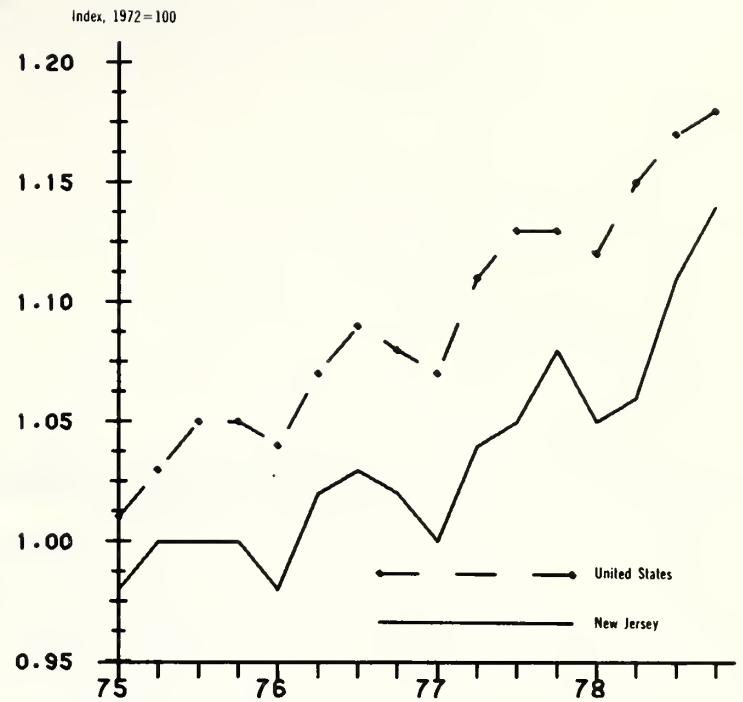


Chart 9.—Unemployment Rate

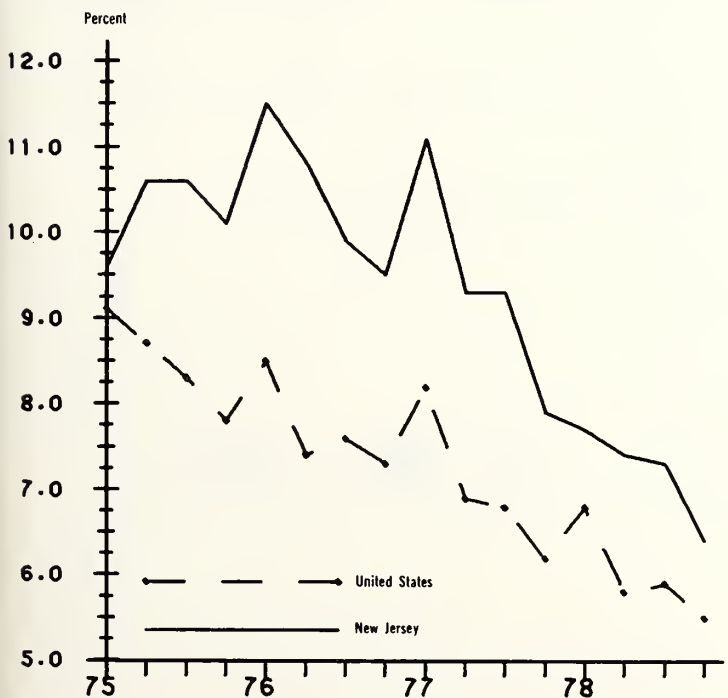
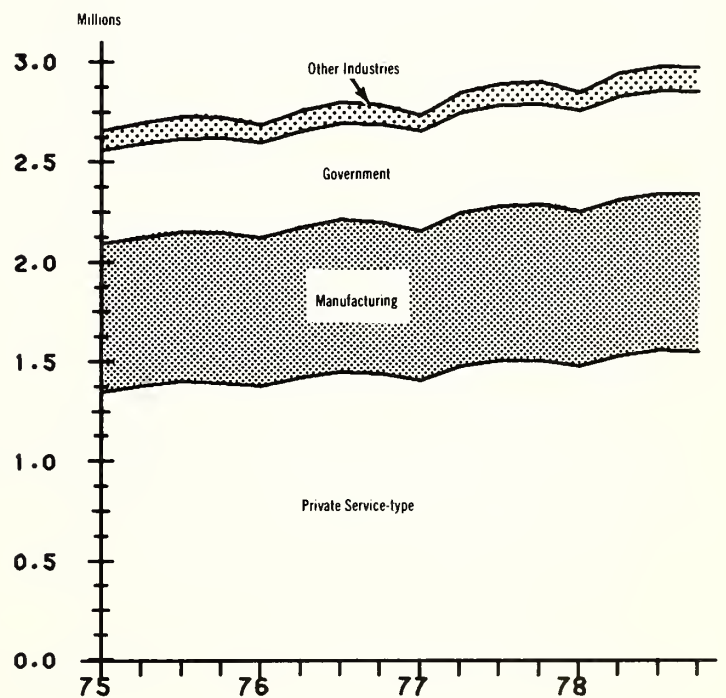


Chart 10.—Industrial Composition of Nonagricultural Employment: New Jersey



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and New Jersey Through Fourth Quarter, 1978

| | United States | | | | | | New Jersey | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|------|---------------------|------|-------|------|-------|
| | | | | | | | | | | | | | |
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | | | | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | | | | |
| Total loans | 610,502 | n.a. | 15,015 | 15,533 | 17,075 | n.a. | 16.3 | 13.7 | --- | --- | | | |
| Commercial and industrial | 196,317 | n.a. | 3,894 | 4,071 | 4,415 | n.a. | 14.2 | 13.4 | --- | --- | | | |
| Loans to individuals | 140,599 | n.a. | 3,623 | 3,739 | 4,244 | n.a. | 20.2 | 17.2 | --- | --- | | | |
| Real estate | 177,935 | n.a. | 6,684 | 6,884 | 7,661 | n.a. | 19.9 | 14.6 | --- | --- | | | |
| Residential | 101,236 | n.a. | 4,228 | 4,332 | 4,850 | n.a. | 21.3 | 14.7 | --- | --- | | | |
| Farms | 7,731 | n.a. | 17 | 16 | 16 | n.a. | 10.7 | -3.1 | --- | --- | | | |
| Other | 68,968 | n.a. | 2,439 | 2,536 | 2,795 | n.a. | 19.0 | 14.6 | --- | --- | | | |
| Farms, excluding real estate | 25,704 | n.a. | 13 | 11 | 12 | n.a. | 6.8 | -1.8 | --- | --- | | | |
| Other | 69,947 | n.a. | 802 | 828 | 743 | n.a. | 8.0 | -7.3 | --- | --- | | | |
| Total deposits | 925,511 | n.a. | 24,534 | 25,710 | 26,377 | n.a. | 11.5 | 7.5 | --- | --- | | | |
| Demand | 377,683 | n.a. | 8,459 | 9,430 | 9,144 | n.a. | 10.2 | 8.1 | --- | --- | | | |
| Time and savings | 547,828 | n.a. | 16,075 | 16,280 | 17,233 | n.a. | 12.3 | 7.2 | --- | --- | | | |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 10.8 percent in the State and 16.8 percent in the Nation (table 6). In 1978:IV, contracts in the State totaled \$1.2 billion, for a gain over the year of \$118 million.

National construction costs increased about 13 percent; if this increase is representative of cost changes in New Jersey, the real valuation of construction contracts declined about 2 percent in the State, in contrast with a national gain of about 4 percent.

The valuation of nonbuilding contracts declined 4.3 percent in the State, in contrast with a gain of 22.2 percent in the Nation. Primarily accounting for the State's weakness was a decline of 61.2 percent in the valuation of street and highway contracts. Nationally, the valuation of street and highway contracts declined 16.3 percent.

Contracts for additions and alterations to residential housekeeping units declined 0.6 percent in valuation in the State versus a 14.6-percent gain in the Nation. The valuation of contracts for residential housekeeping units increased 14.0 percent in New Jersey, 1.6 percentage points less than nationally. The number of dwelling units started increased 5.5 percent (502 units), to 9,645 units. Nationally, in contrast, the number of dwelling units started was virtually unchanged at a high level.

Nonresidential construction was the only strong construction category in the State. The valuation of nonresidential contracts increased 34.4 percent, over twice as much as nationally.

Chart 3.—Construction Contracts—Total Valuation

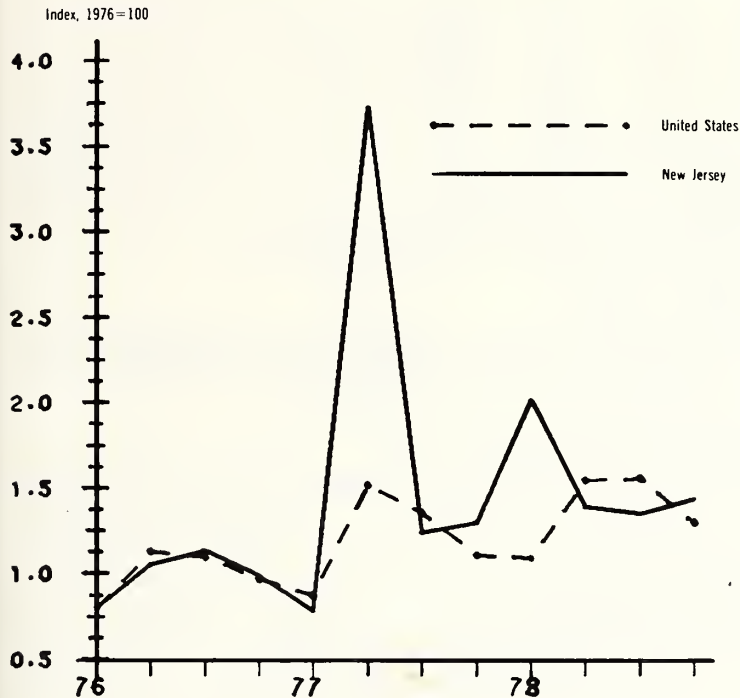


Chart 15.—Construction Contracts—Valuation of Contracts by Type: New Jersey

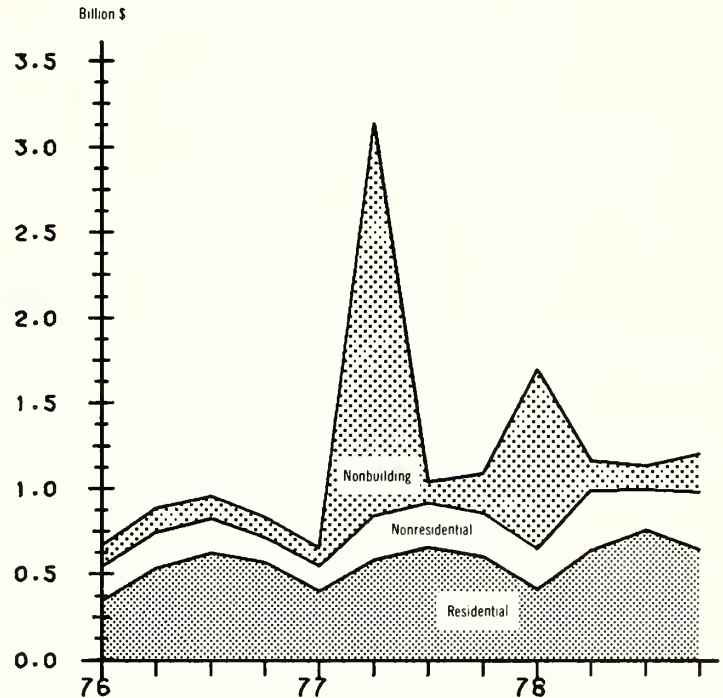


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

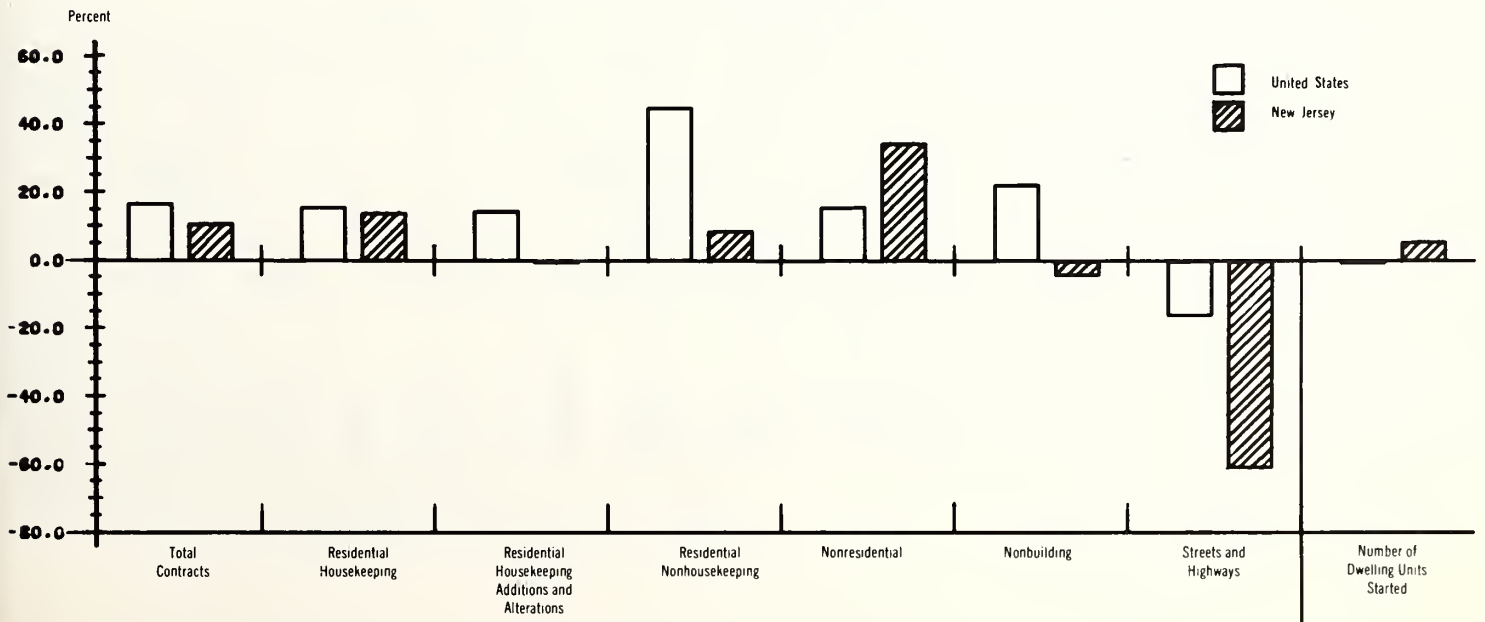


TABLE 6.—Construction Contracts, United States and New Jersey Through Fourth Quarter, 1978¹

| | United States | | | New Jersey | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|-----------|------------|-----------|-----------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 1,039,862 | 1,090,407 | 1,135,921 | 1,208,376 | 14.5 | 9.2 | 16.8 | 10.8 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 320,466 | 288,503 | 376,706 | 286,717 | 16.8 | 17.5 | 14.6 | —6 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,686 | 1,856 | 1,551 | 1,564 | 4.4 | —8.0 | —9.3 | —15.7 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 719,396 | 801,904 | 759,215 | 921,659 | 14.0 | 5.5 | 17.4 | 14.9 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 20,423 | 18,992 | 21,158 | 21,158 | 10.8 | 3.6 | 10.2 | 11.4 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 197 | 191 | 149 | 161 | —5.1 | —24.4 | —4.3 | —15.7 |
| Number of dwelling units | 445,772 | 443,075 | 9,782 | 9,143 | 9,705 | 9,645 | 1.0 | —8 | —6 | 5.5 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 334,199 | 302,656 | 381,867 | 345,018 | 15.3 | 14.3 | 15.6 | 14.0 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 12,429 | 10,902 | 13,428 | 12,470 | 10.3 | 8.0 | 10.7 | 14.4 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 14 | 20 | 12 | 20 | —10.0 | —14.3 | —4 | .0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 7,215 | 13,437 | 3,344 | 14,626 | 9.4 | —53.7 | 44.8 | 8.8 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 155 | 313 | 126 | 350 | —7 | —18.6 | 24.7 | 11.8 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 842 | 961 | 787 | 776 | —2.5 | —6.5 | —12.0 | —19.3 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 259,677 | 250,879 | 237,569 | 337,277 | 27.6 | —8.5 | 15.8 | 34.4 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 7,839 | 7,777 | 7,604 | 8,338 | 12.2 | —3.0 | 8.9 | 7.2 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 633 | 684 | 603 | 607 | 22.4 | —4.7 | —9.1 | —11.3 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 118,305 | 234,932 | 136,435 | 224,738 | —1 | 15.3 | 22.2 | —4.3 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 199 | 243 | 220 | 182 | 9.3 | 10.6 | —17.8 | —25.1 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 51,741 | 88,804 | 29,442 | 34,495 | 3.0 | —43.1 | —16.3 | —61.2 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in New Jersey totaled \$8.3 billion in 1978:IV, up 18.3 percent (\$1.3 billion) since 1977:IV, or almost one and two-thirds times the national increase (table 7). In 1978:IV, nondurable goods accounted for \$5.4 billion, and durable goods accounted for \$2.9 billion.

TABLE 7.—Retail Sales, United States and New Jersey Through Fourth Quarter, 1978

| | United States | | | New Jersey | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales..... | 197,030 | 219,020 | 5,974 | 7,020 | 6,398 | 8,306 | 10.3 | 7.1 | 11.2 | 18.3 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 2,060 | 2,900 | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | 4,338 | 5,406 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and New Jersey Through Fourth Quarter, 1978

| | United States | | | New Jersey | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 4,558 | 4,823 | 5,011 | n.a. | 8.2 | 9.9 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 104 | 115 | 89 | n.a. | -9.5 | -14.4 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 50,409 | 43,519 | 55,248 | n.a. | -44.2 | 9.6 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 485 | 378 | 621 | n.a. | -38.4 | 28.0 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 13 | 16 | 14 | n.a. | -10.1 | 7.7 | --- | --- |
| Construction | 319 | n.a. | 15 | 15 | 11 | n.a. | 1.0 | -26.7 | --- | --- |
| Wholesale trade | 191 | n.a. | 14 | 12 | 15 | n.a. | -27.1 | 7.1 | --- | --- |
| Retail trade | 688 | n.a. | 53 | 51 | 39 | n.a. | -4.2 | -26.4 | --- | --- |
| Commercial services | 238 | n.a. | 9 | 21 | 11 | n.a. | -24.0 | 22.2 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



NEW MEXICO

Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 14.0% vs. 12.6% in U.S., to \$8.3 billion —Private service-type payrolls up 15.7% vs. 13.1% in U.S. —State and local government payrolls up 10.8% vs. 6.8% in U.S. |
| Employment | —Up 5.2% vs. 3.9% in U.S., to 503,000 |
| Unemployment | —Down 2,000, to 32,000 —Rate down 0.7 percentage point, to 6.0% of labor force vs. 5.5% in U.S. |
| Construction | —Total valuation of contracts down 4.8% vs. 16.8% gain in U.S., to \$274 million —Number of dwelling-unit starts down 28.1% vs. near stability in U.S., to 2,490 |

TABLE 1.—Summary of Economic Indicators, United States and New Mexico Through Fourth Quarter, 1978

| | United States | | | New Mexico | | | U.S. | State | U.S. | State |
|---|--|------------|----------|------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 7,032 | 7,271 | 8,013 | 8,289 | 12.4 | 14.0 | 12.6 | 14.0 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 4,506 | 4,667 | 5,189 | 5,358 | 12.1 | 15.2 | 12.6 | 14.8 |
| Civilian employment (thousands) | 92,442 | 96,010 | 479 | 478 | 507 | 503 | 4.1 | 5.8 | 3.9 | 5.2 |
| Unemployment (thousands) | 6,149 | 5,605 | 38 | 34 | 30 | 32 | -9.8 | -20.5 | -8.8 | -5.5 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 7.4 | 6.7 | 5.6 | 6.0 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 2,321 | 2,426 | 2,738 | n.a. | 16.3 | 18.0 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 3,602 | 3,831 | 4,116 | n.a. | 11.5 | 14.3 | --- | --- |
| Total valuation of construction contracts (thousands of dollars)..... | 38,913,111 | 45,459,773 | 325,113 | 288,074 | 301,591 | 274,116 | 14.5 | -7.2 | 16.8 | -4.8 |
| Dwelling units started (number) | 445,772 | 443,075 | 3,933 | 3,462 | 3,408 | 2,490 | 1.0 | -13.3 | -6 | -28.1 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 574 | 493 | 763 | n.a. | 8.2 | 32.9 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 2 | 4 | 0 | n.a. | -9.5 | --- | --- | --- |
| Consumer Price Index (1967=100): U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in New Mexico increased 14.0 percent from 1977:IV to 1978:IV, leading the Nation's 12.6-percent increase (table 2). The State's total personal income increased \$1.0 billion from year to year, reaching \$8.3 billion in 1978:IV. Since the last national business cycle peak in 1973:IV, New Mexico's economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 30 percent more than nationally, ranking New Mexico seventh among all States.

Wage and salary disbursements (payrolls) increased 14.8 percent from 1977:IV to 1978:IV, over 2 percentage points above the national average. All private service-type industry payrolls increased at rates

which exceeded those of national counterparts. Finance-insurance-real estate payrolls increased 19.5 percent, one of the largest increases in the Nation. Trade payrolls increased 16.7 percent, leading the national average increase of 14.1 percent. Services payrolls increased 14.6 percent, almost 2 percentage points higher than the Nation's increase. Transportation-communication-public utilities payrolls increased 13.8 percent, leading the 11.3-percent national average increase.

Government payrolls increased 9.8 percent from year to year, to \$1.6 billion. State and local government payrolls increased 10.8 percent, exceeding the Nation's increase by 4 percentage points. Federal Government payrolls increased 8.5 percent, the smallest payroll increase among major industries in New Mexico, compared with a 7.1-percent increase nationally.

Durables manufacturing payrolls increased 14.4 percent, lagging the Nation's increase of 15.2 percent. Mining payrolls increased 29.3 percent, to \$486 million. The increase was the largest among the State's major industries, but it fell short of the 33.9-percent increase registered nationally. Construction payrolls increased 16.3 percent, almost 4 percentage points below the Nation's increase, to \$446 million.

In New Mexico, State unemployment insurance benefits declined from \$29 million in 1977:IV to \$21 million in 1978:IV, a 25.5-percent decline, compared with a national decline of 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV

[Seasonally adjusted]

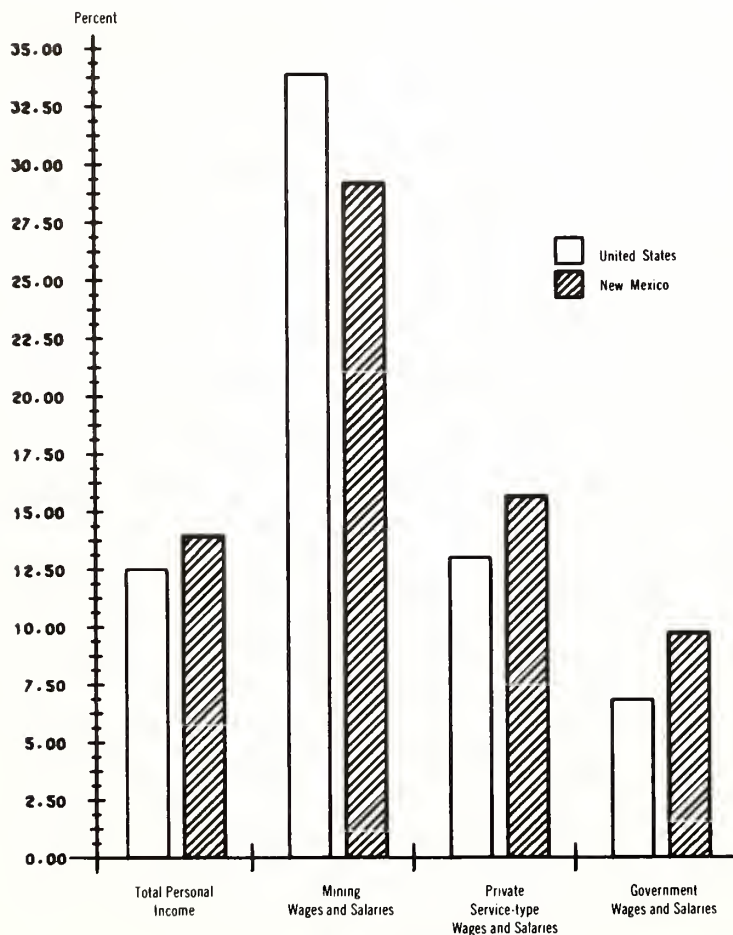


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

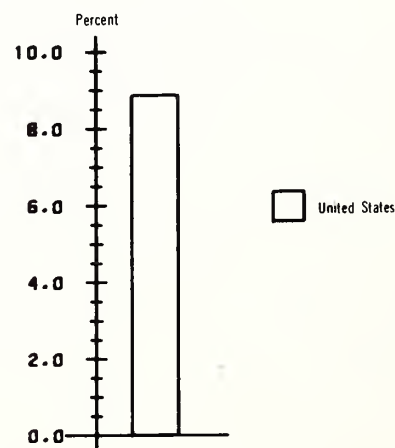


Chart 3.—Total Personal Income
[Seasonally adjusted]

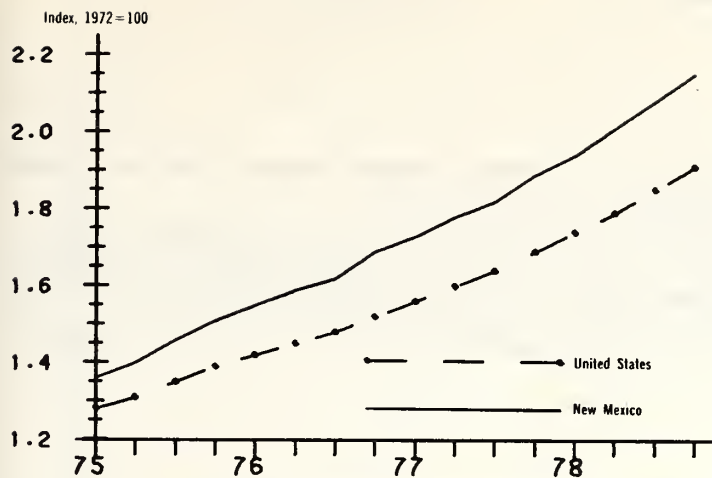


Chart 4.—Industrial Composition of Wages and Salaries: New Mexico
[Seasonally adjusted]

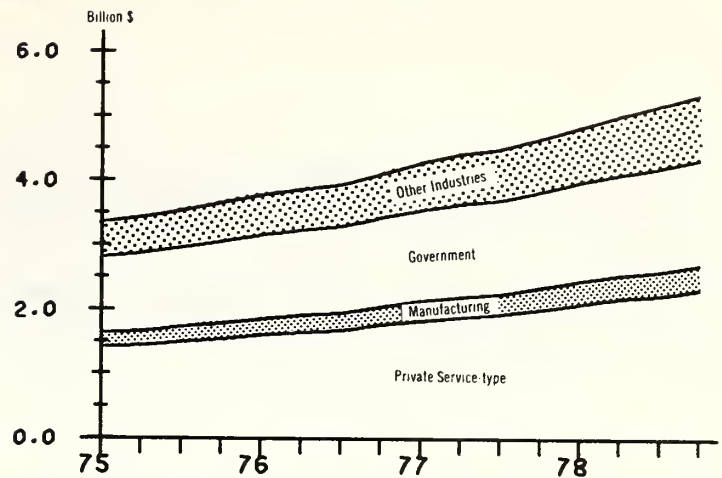


TABLE 2.—Personal Income, United States and New Mexico Through Fourth Quarter, 1978

| | United States | | | New Mexico | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|------------|----------|---------|-----------------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 7,032 | 7,271 | 8,013 | 8,289 | 12.4 | 14.0 | 12.6 | 14.0 |
| Farm personal income | 31,224 | 39,451 | 156 | 174 | 161 | 195 | 47.9 | 3.5 | 26.3 | 11.9 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 6,876 | 7,097 | 7,852 | 8,094 | 11.9 | 14.2 | 12.3 | 14.0 |
| Total personal income | 1,583,508 | 1,782,519 | 7,032 | 7,271 | 8,013 | 8,289 | 12.4 | 14.0 | 12.6 | 14.0 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 4,506 | 4,667 | 5,189 | 5,358 | 12.1 | 15.2 | 12.6 | 14.8 |
| Other labor income | 96,016 | 111,719 | 390 | 408 | 473 | 490 | 17.0 | 21.3 | 16.4 | 20.1 |
| Proprietors' income | 105,953 | 125,995 | 456 | 482 | 506 | 554 | 21.5 | 10.9 | 18.9 | 15.0 |
| Farm | 23,636 | 31,044 | 105 | 122 | 107 | 138 | 66.6 | 1.5 | 31.3 | 13.0 |
| Nonfarm | 82,317 | 94,951 | 350 | 360 | 399 | 416 | 12.8 | 13.7 | 15.3 | 15.6 |
| Dividends, interest, and rent | 214,992 | 242,442 | 940 | 964 | 1,054 | 1,086 | 12.3 | 12.1 | 12.8 | 12.6 |
| Transfer payments | 215,944 | 233,750 | 1,051 | 1,071 | 1,158 | 1,178 | 8.8 | 10.2 | 8.2 | 10.0 |
| State unemployment insurance benefits | 11,128 | 7,753 | 28 | 29 | 23 | 21 | -24.0 | -19.9 | 30.3 | -25.5 |
| Less: personal contributions | 62,212 | 71,610 | 282 | 292 | 337 | 345 | 14.8 | 19.4 | 15.1 | 18.2 |
| Plus: residence adjustment | -401 | -473 | -28 | -29 | -30 | -31 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 4,506 | 4,667 | 5,189 | 5,358 | 12.1 | 15.2 | 12.6 | 14.8 |
| Farm | 7,176 | 7,939 | 49 | 50 | 53 | 55 | 8.5 | 7.6 | 10.6 | 9.4 |
| Nonfarm | 1,006,040 | 1,132,757 | 4,457 | 4,617 | 5,136 | 5,303 | 12.1 | 15.3 | 12.6 | 14.9 |
| Mining | 14,048 | 18,813 | 375 | 376 | 471 | 486 | 26.5 | 25.6 | 33.9 | 29.2 |
| Construction | 55,648 | 66,858 | 357 | 384 | 438 | 446 | 19.1 | 22.8 | 20.1 | 16.3 |
| Manufacturing | 276,112 | 312,970 | 318 | 342 | 367 | 392 | 12.1 | 15.4 | 13.3 | 14.7 |
| Durable goods | 176,216 | 203,053 | 193 | 208 | 225 | 238 | 13.7 | 16.6 | 15.2 | 14.4 |
| Nondurable goods | 99,896 | 109,917 | 125 | 134 | 142 | 154 | 9.4 | 13.6 | 10.0 | 15.1 |
| Private service-type | 455,764 | 515,348 | 1,929 | 2,006 | 2,241 | 2,322 | 12.8 | 16.1 | 13.1 | 15.7 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 354 | 369 | 408 | 420 | 10.4 | 15.1 | 11.3 | 13.8 |
| Wholesale and retail trade | 170,888 | 195,035 | 722 | 742 | 833 | 867 | 13.6 | 15.4 | 14.1 | 16.7 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 171 | 181 | 209 | 216 | 14.1 | 22.6 | 13.2 | 19.5 |
| Services | 153,840 | 173,396 | 683 | 714 | 791 | 818 | 12.6 | 15.9 | 12.7 | 14.6 |
| Government | 201,252 | 215,083 | 1,465 | 1,496 | 1,605 | 1,643 | 7.4 | 9.6 | 6.9 | 9.8 |
| Federal | 68,176 | 73,003 | 623 | 648 | 676 | 703 | 7.3 | 8.4 | 7.1 | 8.5 |
| State and local | 133,076 | 142,080 | 842 | 848 | 929 | 940 | 7.5 | 10.4 | 6.8 | 10.8 |
| Other | 3,216 | 3,685 | 13 | 13 | 15 | 15 | 18.7 | 17.8 | 14.6 | 11.7 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and New Mexico Through Fourth Quarter, 1978¹

| | United States | | | New Mexico | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|------------|----------|---------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | Index, 1967=100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, New Mexico's **civilian labor force** increased 4.5 percent, leading the Nation's advance by 1.4 percentage points (table 4). **Total employment** increased from 478,000 to 503,000, a 5.2-percent advance that exceeded the national average advance of 3.9 percent.

With employment increasing by 25,000 and the labor force increasing by only 23,000, the number of **unemployed** declined by 2,000. The **unemployment rate** declined 0.7 percentage point, the same decline as

nationally, to 6.0 percent of the labor force. In 1978:IV, the national unemployment rate was 5.5 percent.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, the unemployment rate in the Albuquerque metropolitan area (Bernalillo County) was 5.6 percent, compared with a preliminary State rate of 6.0 percent. The unemployment rate outside of Bernalillo County was 6.2 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: New Mexico

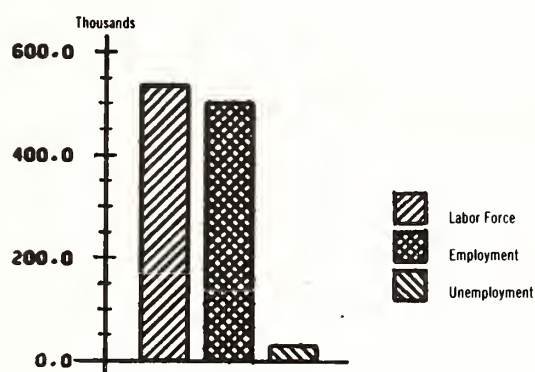


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

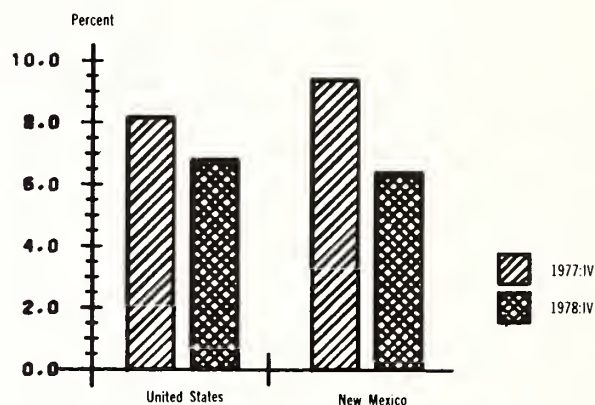


TABLE 4.—Labor Force, United States and New Mexico Through Fourth Quarter, 1978

| | United States | | | New Mexico | | | U.S. | State | U.S. | State |
|---|--|---------|----------|------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 423 | 426 | 453 | 456 | 4.3 | 7.2 | 4.2 | 6.9 |
| Mining | 787 | 899 | 24 | 24 | 25 | 25 | 8.2 | 3.8 | 14.2 | 4.6 |
| Construction | 4,032 | 4,488 | 33 | 32 | 36 | 35 | 10.4 | 10.1 | 11.3 | 9.1 |
| Manufacturing | 19,986 | 20,722 | 32 | 33 | 34 | 35 | 3.1 | 5.9 | 3.7 | 5.5 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 25 | 26 | 27 | 28 | 3.8 | 7.3 | 4.4 | 8.2 |
| Wholesale and retail trade | 19,152 | 20,015 | 98 | 99 | 106 | 107 | 5.3 | 8.1 | 4.5 | 8.0 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 19 | 19 | 20 | 20 | 4.8 | 7.0 | -2.0 | 7.5 |
| Services | 15,539 | 16,215 | 84 | 82 | 91 | 88 | 4.6 | 8.8 | 4.4 | 8.1 |
| Government | 15,434 | 15,656 | 109 | 113 | 115 | 119 | 2.1 | 5.3 | 1.4 | 5.0 |
| Civilian labor force ³ | 98,591 | 101,615 | 517 | 513 | 538 | 535 | 3.2 | 3.9 | 3.1 | 4.5 |
| Total employed | 92,442 | 96,010 | 479 | 478 | 507 | 503 | 4.1 | 5.8 | 3.9 | 5.2 |
| Total unemployed | 6,149 | 5,605 | 38 | 34 | 30 | 32 | -9.8 | -20.5 | -8.8 | -5.5 |
| Percent unemployed | 6.2 | 5.5 | 7.4 | 6.7 | 5.6 | 6.0 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

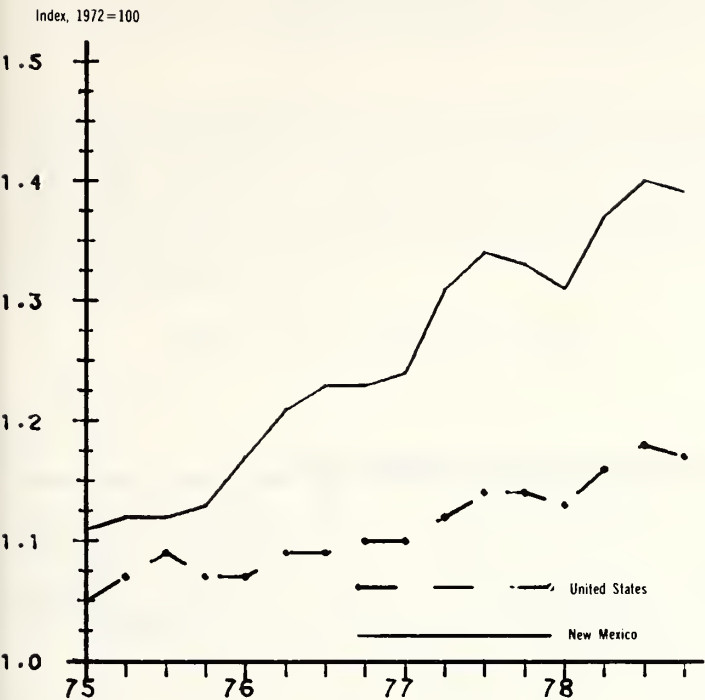


Chart 8.—Civilian Employment

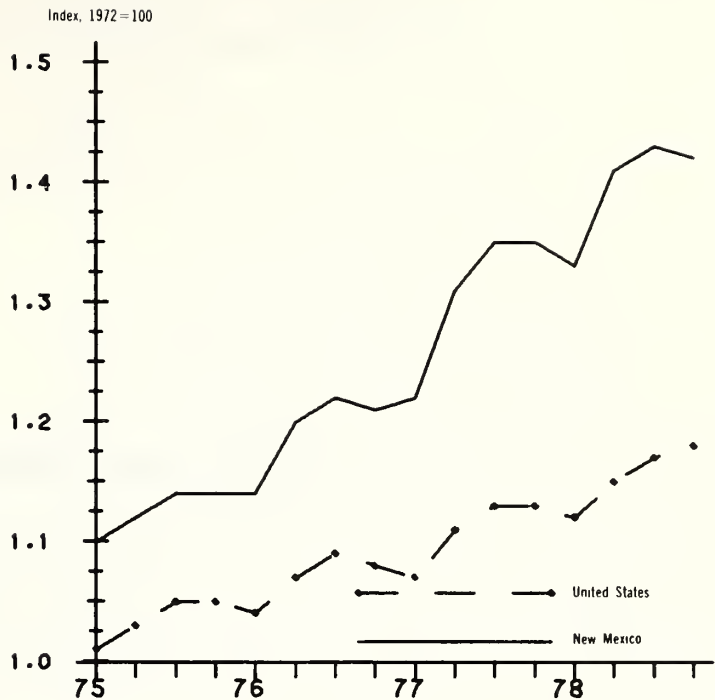


Chart 9.—Unemployment Rate

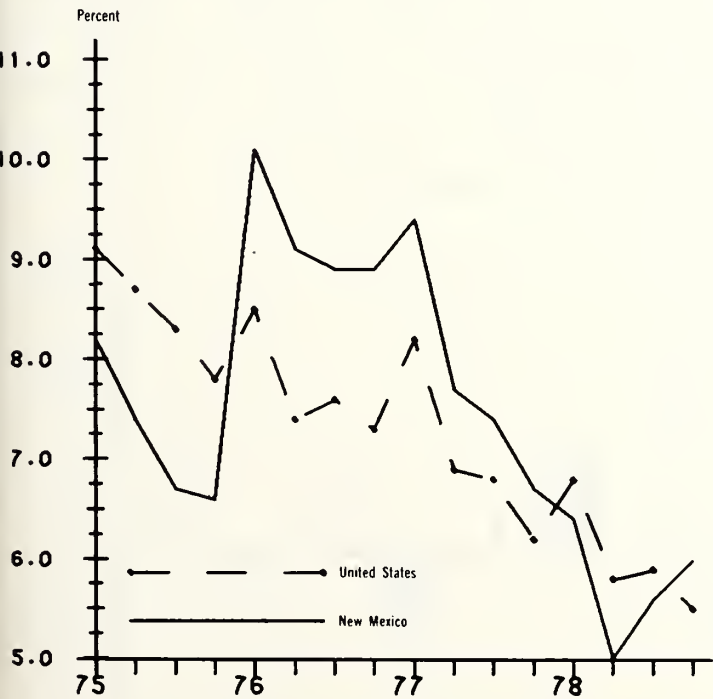
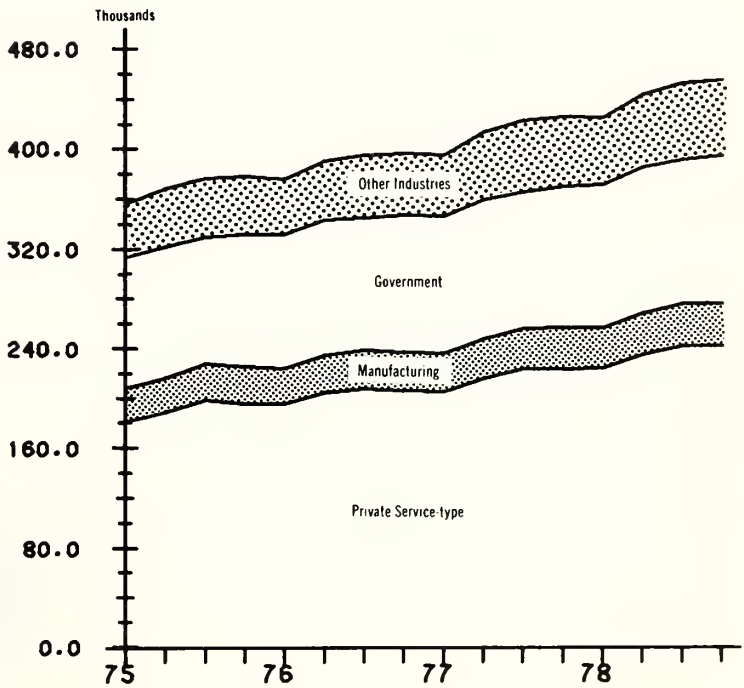


Chart 10.—Industrial Composition of Nonagricultural Employment: New Mexico



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and New Mexico Through Fourth Quarter, 1978

| | United States | | | New Mexico | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 2,321 | 2,426 | 2,738 | n.a. | 16.3 | 18.0 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 708 | 769 | 831 | n.a. | 14.2 | 17.4 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 791 | 812 | 948 | n.a. | 20.2 | 19.8 | --- | --- |
| Real estate | 177,935 | n.a. | 566 | 604 | 724 | n.a. | 19.9 | 27.8 | --- | --- |
| Residential | 101,236 | n.a. | 211 | 217 | 271 | n.a. | 21.3 | 28.5 | --- | --- |
| Farms | 7,731 | n.a. | 26 | 24 | 28 | n.a. | 10.7 | 6.8 | --- | --- |
| Other | 68,968 | n.a. | 329 | 363 | 424 | n.a. | 19.0 | 29.0 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 186 | 170 | 189 | n.a. | 6.8 | 1.5 | --- | --- |
| Other | 69,947 | n.a. | 69 | 71 | 47 | n.a. | 8.0 | -32.8 | --- | --- |
| Total deposits | 925,511 | n.a. | 3,602 | 3,831 | 4,116 | n.a. | 11.5 | 14.3 | --- | --- |
| Demand | 377,683 | n.a. | 1,358 | 1,490 | 1,534 | n.a. | 10.2 | 13.0 | --- | --- |
| Time and savings | 547,828 | n.a. | 2,244 | 2,341 | 2,582 | n.a. | 12.3 | 15.1 | --- | --- |

1 Detail may not add to totals because of rounding

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in New Mexico declined 4.8 percent from 1977:IV to 1978:IV, comparing unfavorably with the Nation's 16.8-percent gain, to \$274 million (table 6). The State's percent decline was exceeded by declines in only three States. National construction costs rose almost 13 percent during the same timespan; if this rise reflects the advance throughout New Mexico, the real valuation of contracts declined about 18 percent in the State versus a national rise of about 4 percent.

Weakness in the State's residential housekeeping market was mainly responsible for the decline in New Mexico's total valuation of contracts. Statewide, the valuation of residential housekeeping contracts declined 16.0 percent, comparing unfavorably with the Nation's 15.6-percent average gain and ranking as the largest decline among all States. The number of dwelling units started declined 28.1 percent, or 1,000 units, to 2,500. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level.

The valuation of nonbuilding contracts declined 8.7 percent, compared with a national gain of 22.2 percent, to \$51 million. The street and highway component of nonbuilding contracts contributed substantially to New Mexico's decline, as the valuation of street and highway contracts declined by almost one-third; nationally, the valuation of street and highway contracts declined 16.3 percent.

Nonresidential contracts rose 2.0 percent in valuation, compared with a national average gain of 15.8 percent, to \$74 million.

The valuation of contracts for additions and alterations to residential housekeeping units rose 23.3 percent, the only large gain registered by a major construction market in New Mexico. Nationally, the valuation of addition and alteration contracts rose 14.6 percent.

Chart 14.—Construction Contracts—Total Valuation

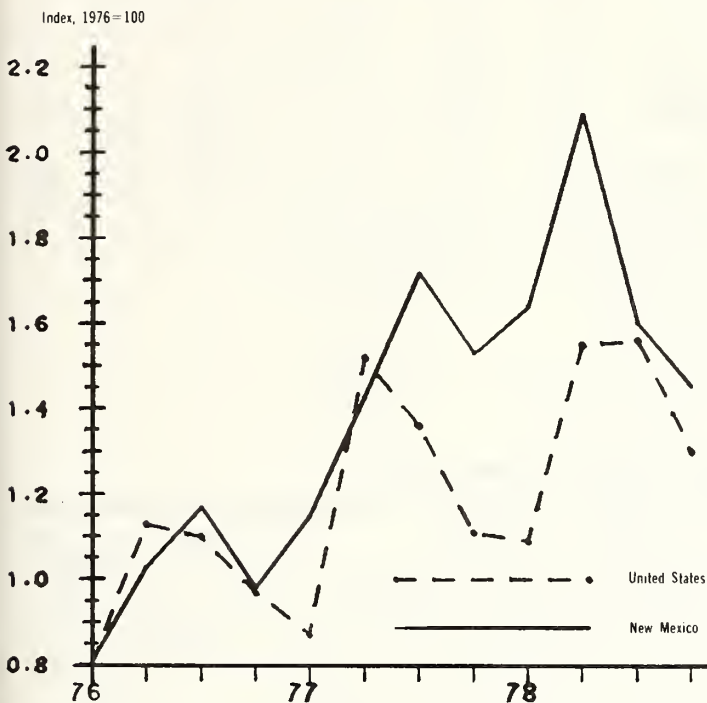


Chart 15.—Construction Contracts—Valuation of Contracts by Type: New Mexico

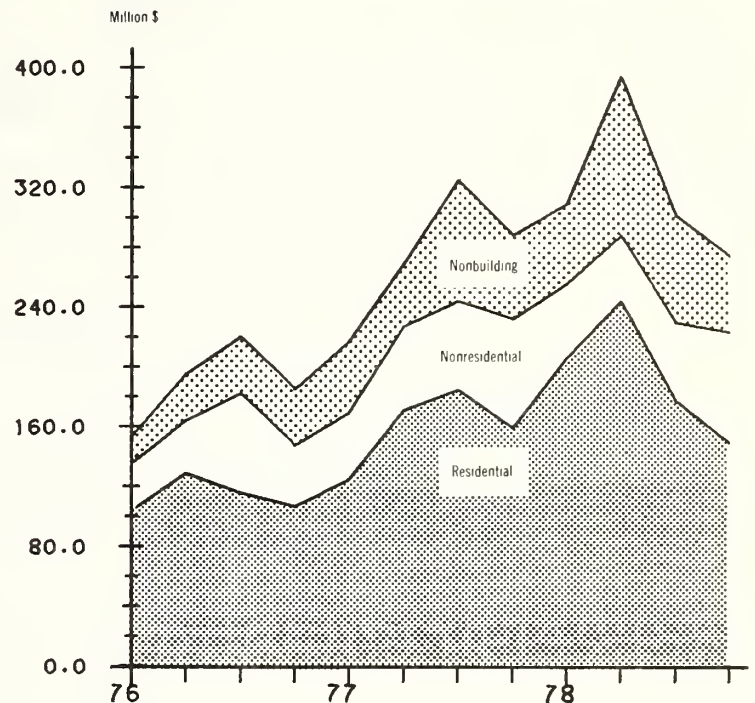


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

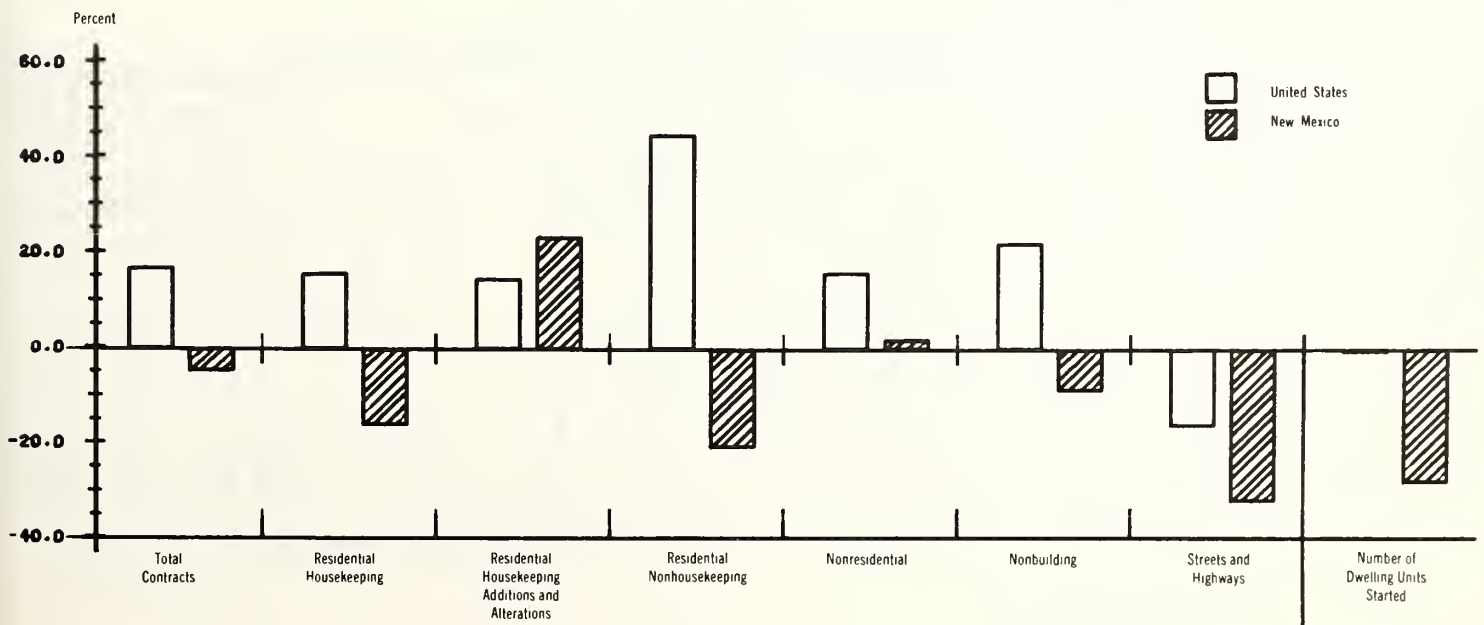


TABLE 6.—Construction Contracts, United States and New Mexico Through Fourth Quarter, 1978¹

| | United States | | | New Mexico | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|------------|----------|---------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 325,113 | 288,074 | 301,591 | 274,116 | 14.5 | -7.2 | 16.8 | -4.8 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 42,111 | 38,322 | 48,626 | 47,251 | 16.8 | 15.5 | 14.6 | 23.3 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 492 | 536 | 616 | 482 | 4.4 | 25.2 | -9.3 | -10.1 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 283,002 | 249,752 | 252,965 | 226,865 | 14.0 | -10.6 | 17.4 | -9.2 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 7,096 | 6,532 | 6,021 | 5,319 | 10.8 | -15.1 | 10.2 | -18.6 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 151 | 154 | 177 | 143 | -5.1 | 17.2 | -4.3 | -7.1 |
| Number of dwelling units | 445,772 | 443,075 | 3,933 | 3,462 | 3,408 | 2,490 | 1.0 | -13.3 | -6 | -28.1 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 136,618 | 119,409 | 123,786 | 100,294 | 15.3 | -9.4 | 15.6 | -16.0 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 5,121 | 4,427 | 4,338 | 3,490 | 10.3 | -15.3 | 10.7 | -21.2 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 6 | 4 | 9 | 3 | -10.0 | 50.0 | -4 | -25.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 6,374 | 1,600 | 4,978 | 1,269 | 9.4 | -21.9 | 44.8 | -20.7 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 271 | 42 | 219 | 61 | -7 | -19.1 | 24.7 | 45.5 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 210 | 244 | 254 | 232 | -2.5 | 21.0 | -12.0 | -4.9 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 59,216 | 72,742 | 52,052 | 74,178 | 27.6 | -12.1 | 15.8 | 2.0 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 1,704 | 2,063 | 1,464 | 1,768 | 12.2 | -14.1 | 8.9 | -14.3 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 125 | 134 | 176 | 104 | 22.4 | 40.8 | -9.1 | -22.4 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 80,794 | 56,001 | 72,149 | 51,124 | -1 | -10.7 | 22.2 | -8.7 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 50 | 37 | 51 | 25 | 9.3 | 2.0 | -17.8 | -32.4 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 35,361 | 27,165 | 42,199 | 18,408 | 3.0 | 19.3 | -16.3 | -32.2 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for New Mexico are not available.

TABLE 7.—Retail Sales, United States and New Mexico Through Fourth Quarter, 1978

| | United States | | | New Mexico | | | U.S. | State | U.S. | State |
|------------------------|--|---------|----------|------------|----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and New Mexico Through Fourth Quarter, 1978

| | United States | | | New Mexico | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|------------|----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 574 | 493 | 763 | n.a. | 8.2 | 32.9 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 2 | 4 | 0 | n.a. | -9.5 | --- | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 246 | 389 | 0 | n.a. | -44.2 | --- | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 123 | 97 | 0 | n.a. | -38.4 | --- | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 1 | 1 | 0 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 0 | 0 | 0 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 0 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 1 | 2 | 0 | n.a. | -4.2 | --- | --- | --- |
| Commercial services | 238 | n.a. | 0 | 1 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 9.4%, 3.2 percentage points less than in U.S. —Weak increases in most major private industries —Strong increase in Federal Government |
| Consumer prices | —Up 6.5% in Buffalo and 6.2% in the New York City-Northeast New Jersey area vs. 8.9% in U.S. |
| Employment | —Up 4.1% vs. 3.9% in U.S., to 7.4 million |
| Unemployment | —Down 84,000, to 575,000 —Rate down to 7.2% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 31.5% vs. 16.8% in U.S., to \$2.4 billion —Four contracts accounted for much of the gain in total valuation —Number of dwelling-unit starts up 13.4% vs. little change in U.S., to 12,352 |
| Retail sales | —Up only 4.0% vs. 11.2% in U.S., to \$14.8 billion |

TABLE 1.—Summary of Economic Indicators, United States and New York Through Fourth Quarter, 1978

| | United States | | | New York | | | U.S. | State | U.S. | State |
|--|--|------------|-----------|-----------|-----------|-----------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 136,010 | 138,860 | 148,533 | 151,879 | 12.4 | 9.2 | 12.6 | 9.4 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 89,656 | 91,512 | 97,591 | 99,949 | 12.1 | 8.9 | 12.6 | 9.2 |
| Civilian employment (thousands) | 92,442 | 96,010 | 7,158 | 7,110 | 7,372 | 7,401 | 4.1 | 3.0 | 3.9 | 4.1 |
| Unemployment (thousands) | 6,149 | 5,605 | 668 | 659 | 600 | 575 | -9.8 | -10.2 | -8.8 | -12.8 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 8.5 | 8.5 | 7.5 | 7.2 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 90,146 | 96,478 | 101,251 | n.a. | 16.3 | 12.3 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 130,842 | 142,774 | 144,142 | n.a. | 11.5 | 10.2 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 2,113,106 | 1,836,216 | 2,068,090 | 2,413,798 | 14.5 | -2.1 | 16.8 | 31.5 |
| Dwelling units started (number) | 445,772 | 443,075 | 11,917 | 10,891 | 11,314 | 12,352 | 1.0 | -5.1 | -6 | 13.4 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 12,538 | 14,258 | 13,194 | 14,834 | 10.3 | 5.2 | 11.2 | 4.0 |
| New business incorporations (number) | 109,411 | n.a. | 12,476 | 12,284 | 12,932 | n.a. | 8.2 | 3.7 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 150 | 162 | 106 | n.a. | -9.5 | -29.3 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Buffalo | --- | --- | 182.7 | 185.1 | 194.7 | 197.1 | --- | 6.6 | --- | 6.5 |
| New York City—Northeast New Jersey | --- | --- | 187.0 | 188.3 | 196.8 | 200.0 | --- | 5.2 | --- | 6.2 |

n.a.: Data not available.

Source: See tables 2 through 8.

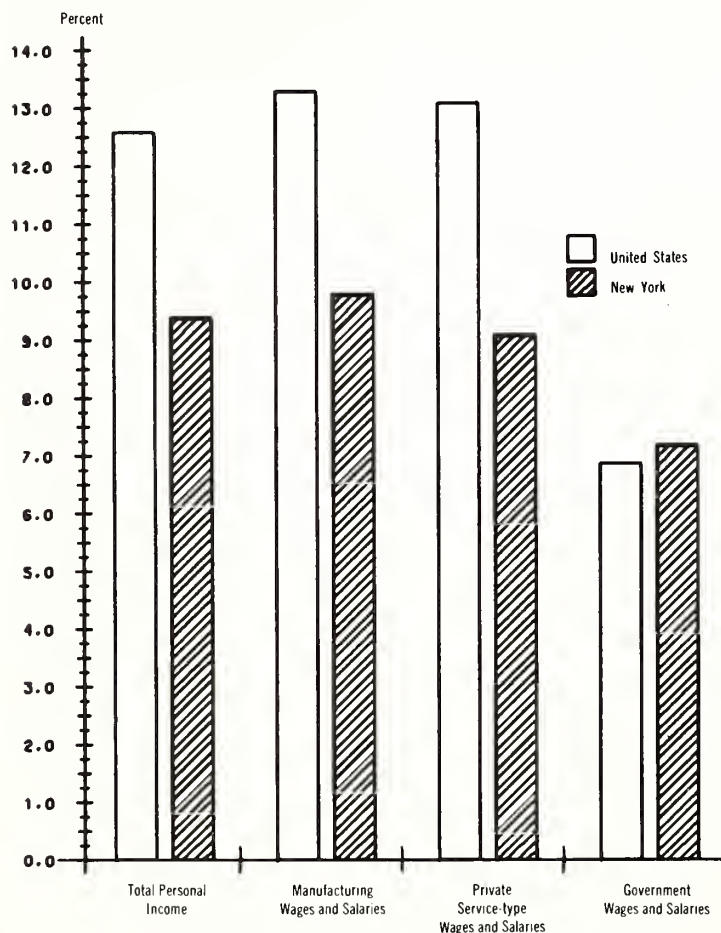
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 9.4 percent from 1977:IV to 1978:IV, 3.2 percentage points less than nationally (table 2). In 1978:IV, New York's total personal income was \$151.9 billion, for an increase of \$13.0 billion since 1977:IV. Among all States, New York's increase ranked 48th, ahead of increases in South Dakota and Alaska (and the District of Columbia). Changes in all major private income components were below those registered in the corresponding components nationally. Most States in the Mideast region had below-average increases in personal income.

Since the last national business cycle peak (1973:IV), New York's economy has grown slowly; the increase in nonfarm income was 30 percent less than nationally, ranking New York 50th among all States. The increase in New Jersey, which ranked 49th, was 21 percent less than nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]



Consumer prices from 1977:IV to 1978:IV increased 6.5 percent in the Buffalo metropolitan area and 6.2 percent in the New York City-Northeast New Jersey area; both of these increases were well below the national increase of 8.9 percent (table 3). If the average price increase in these areas—6.4 percent—is used as an indicator for price movements in the State, real total personal income in New York increased 3.0 percent from year to year versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 9.2 percent in New York versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$99.9 billion, up \$8.4 billion from year to year. New York's increase ranked 49th among all States.

Manufacturing payrolls increased 9.8 percent in the State and 13.3 percent in the Nation. Weakness extended to both durable goods and nondurable goods manufacturing. Private service-type industry payrolls increased 9.1 percent in New York and 13.1 percent in the Nation. The increase in transportation-communication-public utilities was particularly weak. The increase in trade was somewhat less than nationally. Construction payrolls increased 17.4 percent in the State and 20.1 percent in the Nation.

In contrast to private payrolls, government payrolls increased more in New York than in the Nation. Strength was particularly pronounced in Federal payrolls, up 10.0 percent in New York versus 7.1 percent in the Nation.

With New York's economic advance lagging the Nation's, State unemployment insurance benefits declined 25.1 percent in New York and 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

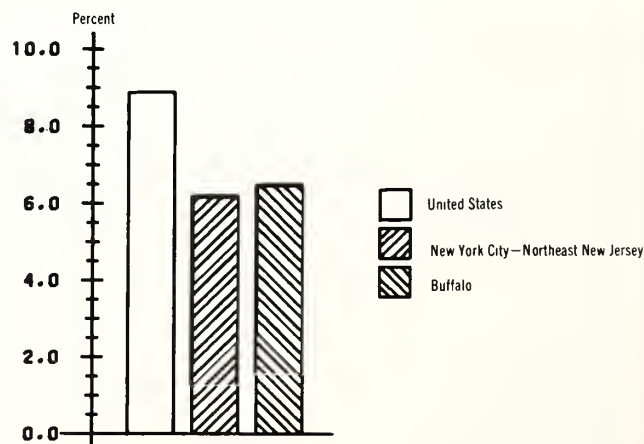


Chart 3.—Total Personal Income
[Seasonally adjusted]

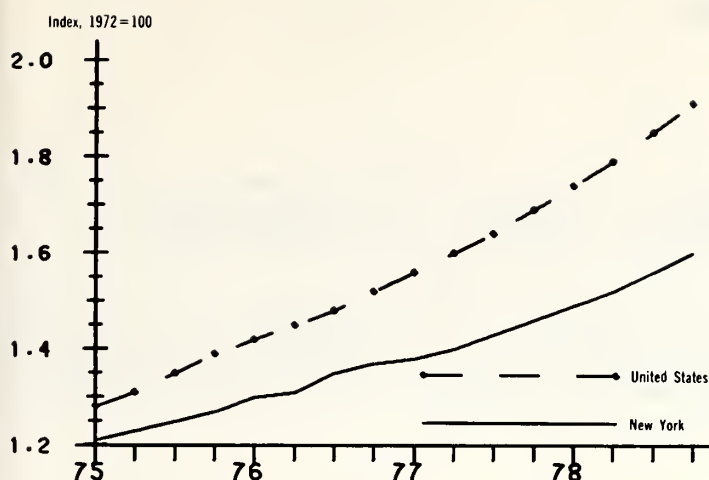


Chart 4.—Industrial Composition of Wages and Salaries: New York
[Seasonally adjusted]

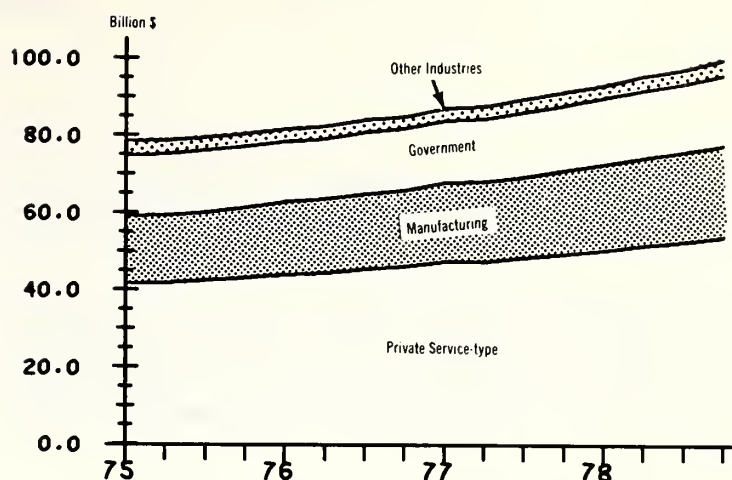


TABLE 2.—Personal Income, United States and New York Through Fourth Quarter, 1978

| | United States | | | New York | | | U.S. | State | U.S. | State |
|---|---|------------------|----------------|----------------|----------------|----------------|-----------------------------|------------|---------------------|------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 136,010 | 138,860 | 148,533 | 151,879 | 12.4 | 9.2 | 12.6 | 9.4 |
| Farm personal income..... | 31,224 | 39,451 | 321 | 370 | 504 | 535 | 47.9 | 57.2 | 26.3 | 44.6 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 135,689 | 138,490 | 148,029 | 151,344 | 11.9 | 9.1 | 12.3 | 9.3 |
| Total personal income | 1,583,508 | 1,782,519 | 136,010 | 138,860 | 148,533 | 151,879 | 12.4 | 9.2 | 12.6 | 9.4 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 89,656 | 91,512 | 97,591 | 99,949 | 12.1 | 8.9 | 12.6 | 9.2 |
| Other labor income | 96,016 | 111,719 | 7,596 | 7,905 | 8,610 | 8,828 | 17.0 | 13.3 | 16.4 | 11.7 |
| Proprietors' income..... | 105,953 | 125,995 | 5,979 | 6,078 | 6,593 | 6,790 | 21.5 | 10.3 | 18.9 | 11.7 |
| Farm | 23,636 | 31,044 | 93 | 130 | 249 | 268 | 66.6 | 168.0 | 31.3 | 106.6 |
| Nonfarm | 82,317 | 94,951 | 5,886 | 5,949 | 6,344 | 6,522 | 12.8 | 7.8 | 15.3 | 9.6 |
| Dividends, interest, and rent | 214,992 | 242,442 | 21,977 | 22,422 | 24,189 | 24,760 | 12.3 | 10.1 | 12.8 | 10.4 |
| Transfer payments | 215,944 | 233,750 | 21,382 | 21,736 | 23,167 | 23,406 | 8.8 | 8.4 | 8.2 | 7.7 |
| State unemployment insurance benefits..... | 11,128 | 7,753 | 1,266 | 1,231 | 1,027 | 922 | -24.0 | -18.9 | -30.3 | -25.1 |
| Less: personal contributions | 62,212 | 71,610 | 5,218 | 5,303 | 5,789 | 5,870 | 14.8 | 10.9 | 15.1 | 10.7 |
| Plus: residence adjustment | -401 | -473 | -5,362 | -5,491 | -5,828 | -5,984 | — | — | — | — |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 89,656 | 91,512 | 97,591 | 99,949 | 12.1 | 8.9 | 12.6 | 9.2 |
| Farm | 7,176 | 7,939 | 212 | 224 | 237 | 249 | 8.5 | 11.9 | 10.6 | 11.1 |
| Nonfarm | 1,006,040 | 1,132,757 | 89,444 | 91,289 | 97,354 | 99,701 | 12.1 | 8.8 | 12.6 | 9.2 |
| Mining | 14,048 | 18,813 | 165 | 154 | 177 | 175 | 26.5 | 7.6 | 33.9 | 13.7 |
| Construction | 55,648 | 66,858 | 2,892 | 2,831 | 3,231 | 3,324 | 19.1 | 11.7 | 20.1 | 17.4 |
| Manufacturing | 276,112 | 312,970 | 20,930 | 21,615 | 23,081 | 23,741 | 12.1 | 10.3 | 13.3 | 9.8 |
| Durable goods | 176,216 | 203,053 | 12,057 | 12,509 | 13,577 | 14,082 | 13.7 | 12.6 | 15.2 | 12.6 |
| Nondurable goods | 99,896 | 109,917 | 8,873 | 9,106 | 9,504 | 9,660 | 9.4 | 7.1 | 10.0 | 6.1 |
| Private service-type | 455,764 | 515,348 | 48,459 | 49,536 | 52,809 | 54,066 | 12.8 | 9.0 | 13.1 | 9.1 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 7,536 | 7,931 | 8,140 | 8,330 | 10.4 | 8.0 | 11.3 | 5.0 |
| Wholesale and retail trade | 170,888 | 195,035 | 14,551 | 14,758 | 16,310 | 16,639 | 13.6 | 12.1 | 14.1 | 12.8 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 8,554 | 8,699 | 9,299 | 9,465 | 14.1 | 8.7 | 13.2 | 8.8 |
| Services | 153,840 | 173,396 | 17,818 | 18,148 | 19,060 | 19,630 | 12.6 | 7.0 | 12.7 | 8.2 |
| Government | 201,252 | 215,083 | 16,796 | 16,946 | 17,820 | 18,162 | 7.4 | 6.1 | 6.9 | 7.2 |
| Federal..... | 68,176 | 73,003 | 3,046 | 3,153 | 3,276 | 3,467 | 7.3 | 7.6 | 7.1 | 10.0 |
| State and local | 133,076 | 142,080 | 13,750 | 13,793 | 14,544 | 14,695 | 7.5 | 5.8 | 6.8 | 6.5 |
| Other | 3,216 | 3,685 | 203 | 208 | 236 | 233 | 18.7 | 16.4 | 14.6 | 11.9 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and New York Through Fourth Quarter, 1978¹

| | United States | | | New York | | | U.S. | State | U.S. | State |
|--|--|---------|----------|----------|----------|---------|-----------------------|----------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Index, 1967=100, not seasonally adjusted | | | | | | | Percent change | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Buffalo | --- | --- | 182.7 | 185.1 | 194.7 | 197.1 | --- | 6.6 | --- | 6.5 |
| New York City—Northeast New Jersey | --- | --- | 187.0 | 188.3 | 196.8 | 200.0 | --- | 5.2 | --- | 6.2 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the **civilian labor force** increased 2.7 percent, 0.4 percentage point less than in the Nation (table 4). **Total employment** in New York increased 4.1 percent, or slightly more than nationally, to 7.4 million.

With the labor force increasing 207,000 and employment increasing 291,000, **unemployment** declined 84,000, to 575,000. In 1978:IV, New York's **unemployment rate** was 7.2 percent versus a U.S. rate of 5.5 percent. Only three States—Alaska, Hawaii, and Arkansas—and the District of Columbia had higher rates. New York's unemployment rate

declined 1.3 percentage points from year to year versus a decline in the Nation of 0.7 percentage point. Sharper declines than New York's were registered in 11 States, many of them in New England.

In December 1978, the preliminary unemployment rate in New York was 6.6 percent, down 1.5 percentage points over the year. Rates in the major metropolitan areas of the State ranged from 8.0 percent in New York City to 4.4 percent in Poughkeepsie. December 1978 rates were lower than December 1977 rates in all ten major metropolitan areas in the State.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: New York

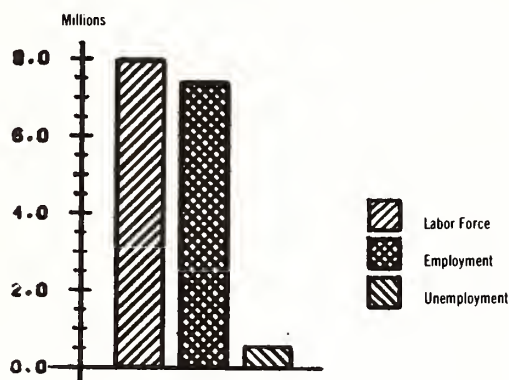


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

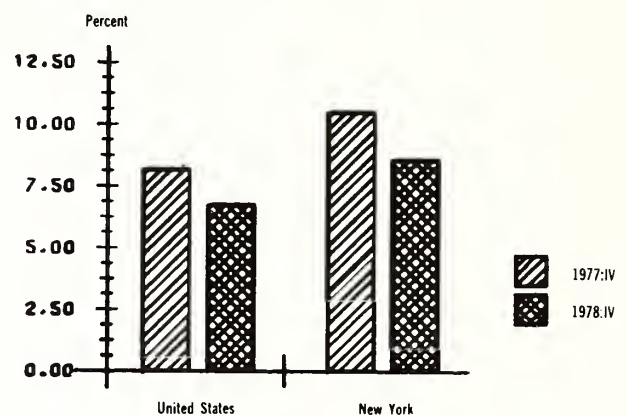


TABLE 4.—Labor Force, United States and New York Through Fourth Quarter, 1978

| | United States | | | New York | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 6,901 | 6,923 | 7,006 | 7,029 | 4.3 | 1.5 | 4.2 | 1.5 |
| Mining | 787 | 899 | 8 | 7 | 7 | 7 | 8.2 | -2.7 | 14.2 | -5.4 |
| Construction | 4,032 | 4,488 | 208 | 205 | 220 | 214 | 10.4 | 5.5 | 11.3 | 4.3 |
| Manufacturing | 19,986 | 20,722 | 1,470 | 1,479 | 1,485 | 1,495 | 3.1 | 1.0 | 3.7 | 1.1 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 425 | 428 | 422 | 427 | 3.8 | -5 | 4.4 | -2 |
| Wholesale and retail trade | 19,152 | 20,015 | 1,430 | 1,459 | 1,451 | 1,482 | 5.3 | 1.4 | 4.5 | 1.6 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 582 | 578 | 587 | 585 | 4.8 | .8 | -2.0 | 1.1 |
| Services | 15,539 | 16,215 | 1,502 | 1,496 | 1,522 | 1,523 | 4.6 | 1.3 | 4.4 | 1.8 |
| Government | 15,434 | 15,656 | 1,275 | 1,271 | 1,325 | 1,296 | 2.1 | 3.9 | 1.4 | 2.0 |
| Civilian labor force ³ | 98,591 | 101,615 | 7,826 | 7,769 | 7,972 | 7,976 | 3.2 | 1.9 | 3.1 | 2.7 |
| Total employed | 92,442 | 96,010 | 7,158 | 7,110 | 7,372 | 7,401 | 4.1 | 3.0 | 3.9 | 4.1 |
| Total unemployed | 6,149 | 5,605 | 668 | 659 | 600 | 575 | -9.8 | -10.2 | -8.8 | -12.8 |
| Percent unemployed | 6.2 | 5.5 | 8.5 | 8.5 | 7.5 | 7.2 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

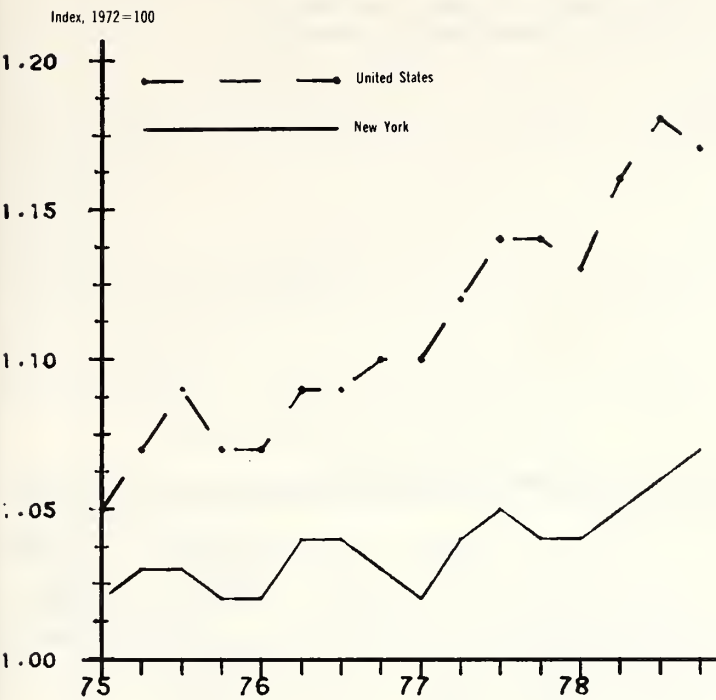


Chart 8.—Civilian Employment

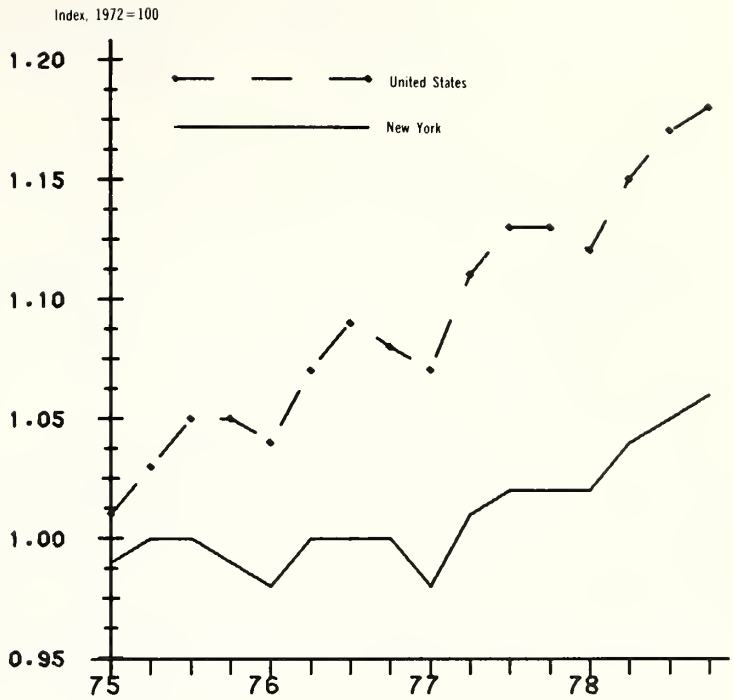


Chart 9.—Unemployment Rate

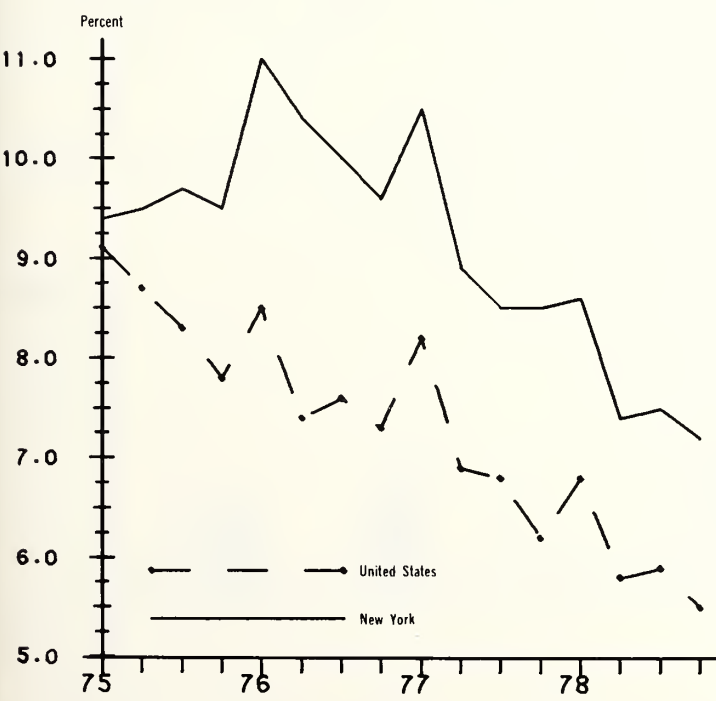
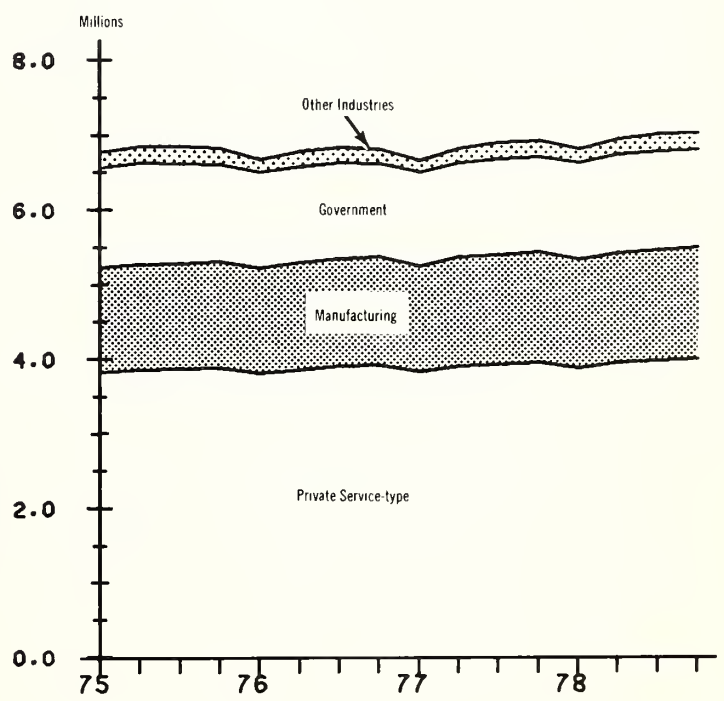


Chart 10.—Industrial Composition of Nonagricultural Employment



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and New York Through Fourth Quarter, 1978

| | United States | | | New York | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 90,146 | 96,478 | 101,251 | n.a. | 16.3 | 12.3 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 41,962 | 44,616 | 46,308 | n.a. | 14.2 | 10.4 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 10,684 | 11,282 | 13,906 | n.a. | 20.2 | 30.2 | --- | --- |
| Real estate | 177,935 | n.a. | 14,117 | 14,578 | 15,470 | n.a. | 19.9 | 9.6 | --- | --- |
| Residential..... | 101,236 | n.a. | 7,483 | 7,592 | 8,637 | n.a. | 21.3 | 15.4 | --- | --- |
| Farms..... | 7,731 | n.a. | 118 | 118 | 122 | n.a. | 10.7 | 3.8 | --- | --- |
| Other | 68,968 | n.a. | 6,516 | 6,868 | 6,710 | n.a. | 19.0 | 3.0 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 350 | 358 | 357 | n.a. | 6.8 | 1.9 | --- | --- |
| Other..... | 69,947 | n.a. | 23,033 | 25,644 | 25,210 | n.a. | 8.0 | 9.5 | --- | --- |
| Total deposits | 925,511 | n.a. | 130,842 | 142,774 | 144,142 | n.a. | 11.5 | 10.2 | --- | --- |
| Demand | 377,683 | n.a. | 69,467 | 78,243 | 75,879 | n.a. | 10.2 | 9.2 | --- | --- |
| Time and savings | 547,828 | n.a. | 61,375 | 64,531 | 68,264 | n.a. | 12.3 | 11.2 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 31.5 percent in New York versus 16.8 percent in the Nation (table 6). Only six States had larger gains. In 1978:IV, contracts in the State totaled \$2.4 billion, for a gain over the year of \$577 million. About seven-tenths of New York's total gain in the valuation of contracts was traceable to four contracts in 1978:IV with a combined valuation of \$405 million; the contracts were for a commercial warehouse in Suffolk County, and a railroad tunnel, an office building, and a university-college project in New York City. The four contracts raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. If the four contracts are excluded, the total valuation of contracts in the State would have increased only 9.4 percent.

National construction costs increased about 13 percent; if this increase is representative of cost changes in New York, the real valuation of construction contracts (including the four large contracts) increased more than 18 percent in the State versus about 4 percent in the Nation.

Partly reflecting the railroad tunnel contract, the valuation of nonbuilding contracts increased 61.7 percent (\$255 million) in the State

versus 22.2 percent in the Nation. Only ten States had larger gains. If the railroad tunnel contract is excluded, the total valuation of nonbuilding contracts would have increased about 17 percent. The valuation of street and highway contracts declined 47.4 percent in New York versus 16.3 percent nationally.

Reflecting the commercial warehouse, the office building, and the university-college project contracts, the valuation of nonresidential contracts increased 38.9 percent versus 15.8 percent in the Nation. New York's gain ranked 11th among all State gains.

The valuation of residential housekeeping contracts increased 36.8 percent, 21.2 percentage points more than nationally. Among the States, New York's gain was the ninth largest. The number of dwelling units started increased 13.4 percent, or 1,461 units, to 12,352 units. Nationally, in contrast, the number of dwelling units started was virtually unchanged at a high level. Contracts for additions and alterations to residential housekeeping units increased 3.6 percent in valuation in New York versus 14.6 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

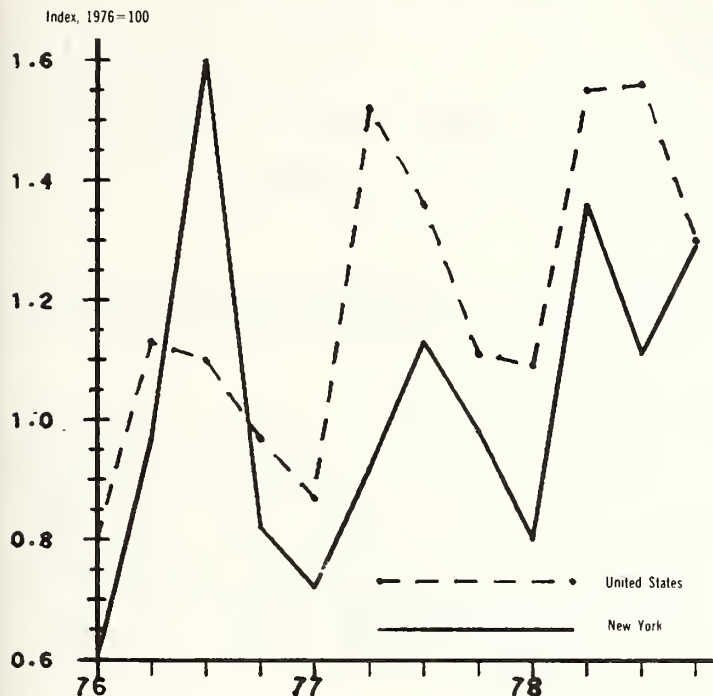


Chart 15.—Construction Contracts—Valuation of Contracts by Type: New York

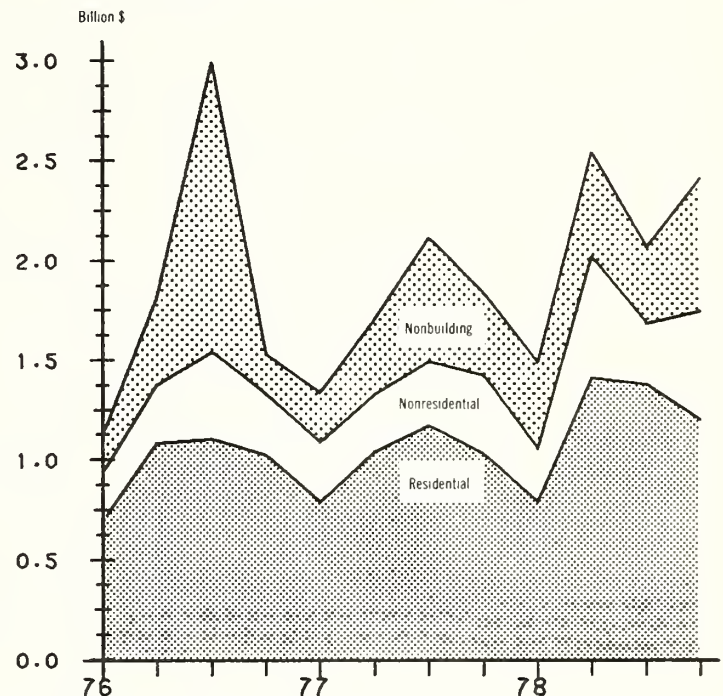


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

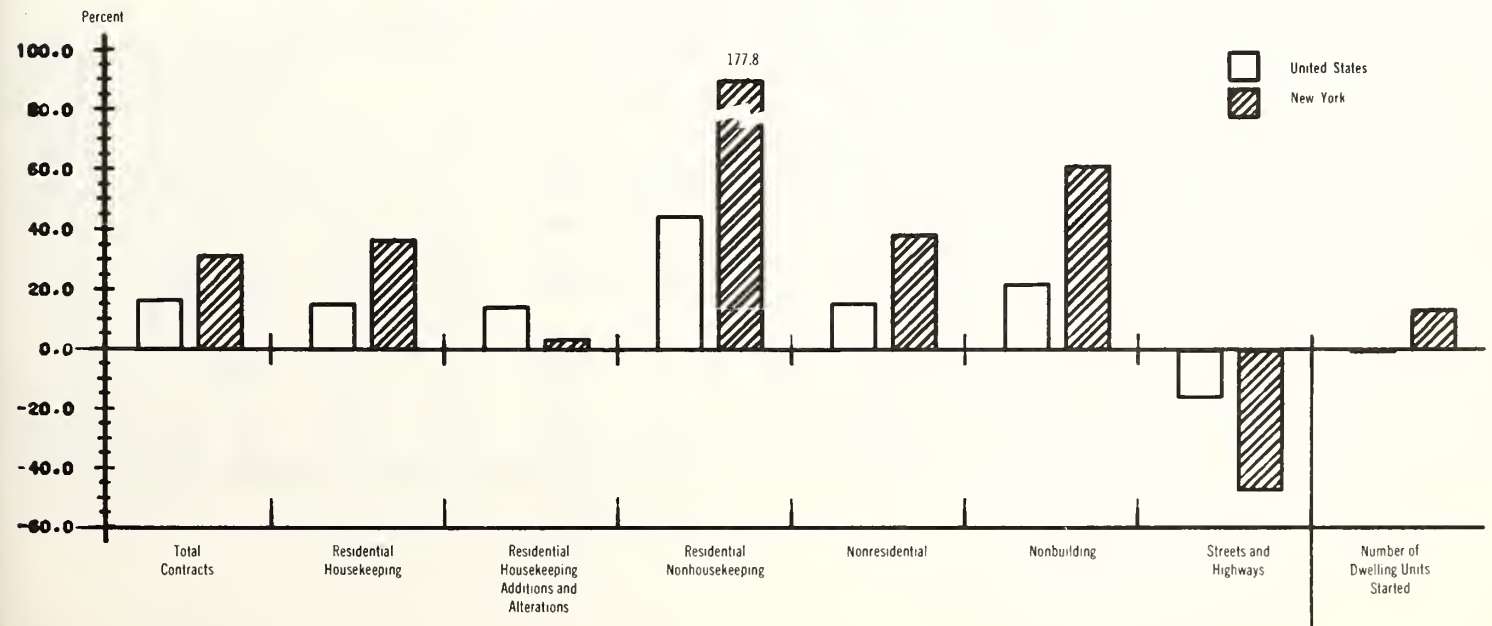


TABLE 6.—Construction Contracts, United States and New York Through Fourth Quarter, 1978¹

| | United States | | | New York | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|------------------|------------------|------------------|------------------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 2,113,106 | 1,836,216 | 2,068,090 | 2,413,798 | 14.5 | -2.1 | 16.8 | 31.5 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 766,005 | 669,882 | 878,822 | 693,721 | 16.8 | 14.7 | 14.6 | 3.6 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 2,351 | 2,373 | 2,294 | 2,035 | 4.4 | -2.4 | -9.3 | -14.2 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 1,347,101 | 1,166,334 | 1,189,268 | 1,720,077 | 14.0 | -11.7 | 17.4 | 47.5 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 22,526 | 19,840 | 22,075 | 26,568 | 10.8 | -2.0 | 10.2 | 33.9 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 366 | 369 | 359 | 374 | -5.1 | -1.9 | -4.3 | 1.4 |
| Number of dwelling units | 445,772 | 443,075 | 11,917 | 10,891 | 11,314 | 12,352 | 1.0 | -5.1 | -6 | 13.4 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 394,654 | 352,103 | 439,911 | 481,555 | 15.3 | 11.5 | 15.6 | 36.8 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 14,180 | 12,202 | 13,630 | 14,597 | 10.3 | -3.9 | 10.7 | 19.6 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 16 | 13 | 19 | 16 | -10.0 | 18.8 | -4 | 23.1 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 13,731 | 9,602 | 58,605 | 26,670 | 9.4 | 326.8 | 44.8 | 177.8 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 393 | 149 | 1,081 | 696 | -7 | 175.2 | 24.7 | 368.0 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 1,005 | 1,174 | 996 | 934 | -2.5 | -9 | -12.0 | -20.4 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 321,521 | 390,507 | 308,796 | 542,415 | 27.6 | -4.0 | 15.8 | 38.9 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 7,954 | 7,490 | 7,364 | 11,276 | 12.2 | -7.4 | 8.9 | 50.5 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 964 | 817 | 920 | 711 | 22.4 | -4.6 | -9.1 | -13.0 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 617,195 | 414,122 | 381,956 | 669,437 | -1 | -38.1 | 22.2 | 61.7 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 277 | 177 | 244 | 127 | 9.3 | -11.9 | -17.8 | -28.2 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 265,021 | 152,010 | 151,963 | 79,887 | 3.0 | -42.7 | -16.3 | -47.4 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in New York totaled \$14.8 billion in 1978:IV, up only 4.0 percent (\$576 million) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for \$11.2 billion, and durable goods accounted for \$3.6 billion.

TABLE 7.—Retail Sales, United States and New York Through Fourth Quarter, 1978

| | United States | | | New York | | | U.S. | State | U.S. | State |
|---------------------------|--|----------------|---------------|---------------|---------------|---------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | 12,538 | 14,258 | 13,194 | 14,834 | 10.3 | 5.2 | 11.2 | 4.0 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 3,572 | 3,648 | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | 1n.a. | 9,622 | 11,186 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

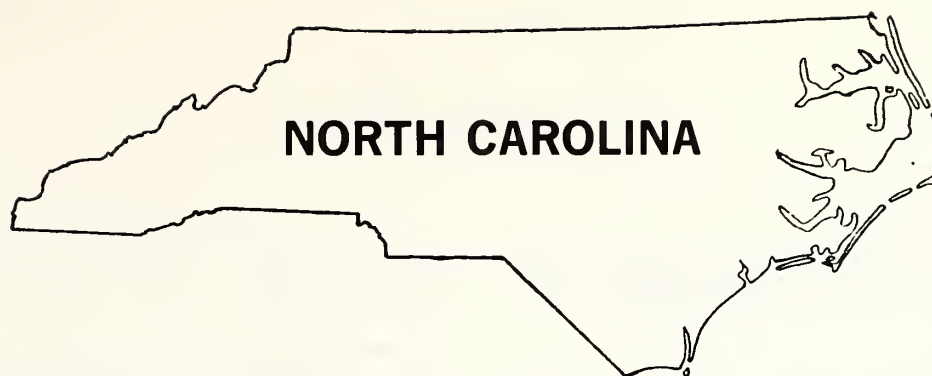
Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and New York Through Fourth Quarter, 1978

| | United States | | | New York | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------|---------------|---------------|---------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 12,476 | 12,284 | 12,932 | n.a. | 8.2 | 3.7 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 150 | 162 | 106 | n.a. | -9.5 | -29.3 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 636,998 | 107,705 | 47,366 | n.a. | -44.2 | -92.6 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 4,247 | 665 | 447 | n.a. | -38.4 | -89.5 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 38 | 39 | 29 | n.a. | -10.1 | -23.7 | --- | --- |
| Construction | 319 | n.a. | 5 | 6 | 5 | n.a. | 1.0 | .0 | --- | --- |
| Wholesale trade | 191 | n.a. | 28 | 22 | 11 | n.a. | -27.1 | -60.7 | --- | --- |
| Retail trade | 688 | n.a. | 64 | 79 | 56 | n.a. | -4.2 | -12.5 | --- | --- |
| Commercial services | 238 | n.a. | 15 | 16 | 5 | n.a. | -24.0 | -66.7 | --- | --- |

n.a. Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|---|
| Personal income | —Up 13.3% vs. 12.6% in U.S., to \$38.3 billion —Farm personal income up 70.5% vs. 26.3% in U.S. —Payrolls up 12.8% in durables manufacturing vs. 15.2% in U.S., and 11.7% in services vs. 12.7% in U.S. |
| Consumer prices | —Up 7.8% in Atlanta vs. 8.9% in U.S. |
| Employment | —Up 4.0% vs. 3.9% in U.S., to 2.6 million |
| Unemployment | —Down 33,000, to 100,000 —Rate down to 3.7% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 25.7% vs. 16.8% in U.S., to \$1.2 billion —Number of dwelling-unit starts up 33.1% vs. near stability in U.S., to 16,011 |
| Retail sales | —Up 9.7% vs. 11.2% in U.S., to \$4.9 billion |

TABLE 1.—Summary of Economic Indicators, United States and North Carolina Through Fourth Quarter, 1978

| | United States | | | North Carolina | | | U.S. | State | U.S. | State |
|--|--|------------|-----------|----------------|-----------|-----------|------------------------|-------|----------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III — 1978:III | | 1977:IV — 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 32,958 | 33,837 | 37,213 | 38,322 | 12.4 | 12.9 | 12.6 | 13.3 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 21,975 | 22,604 | 24,645 | 25,272 | 12.1 | 12.1 | 12.6 | 11.8 |
| Civilian employment (thousands) | 92,442 | 96,010 | 2,534 | 2,481 | 2,619 | 2,580 | 4.1 | 3.4 | 3.9 | 4.0 |
| Unemployment (thousands) | 6,149 | 5,605 | 152 | 133 | 106 | 100 | -9.8 | -30.1 | -8.8 | -24.6 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 5.6 | 5.1 | 3.9 | 3.7 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 9,287 | 9,535 | 10,545 | n.a. | 16.3 | 13.5 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 13,473 | 14,419 | 14,896 | n.a. | 11.5 | 10.6 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 1,052,887 | 916,479 | 1,188,015 | 1,151,661 | 14.5 | 12.8 | 16.8 | 25.7 |
| Dwelling units started (number) | 445,772 | 443,075 | 14,998 | 12,032 | 15,061 | 16,011 | 1.0 | .4 | -.6 | 33.1 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 4,061 | 4,452 | 4,465 | 4,882 | 10.3 | 9.9 | 11.2 | 9.7 |
| New business incorporations (number) | 109,411 | n.a. | 2,045 | 2,071 | 2,178 | n.a. | 8.2 | 6.5 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 1 | 8 | 23 | n.a. | -9.5 | *** | --- | --- |
| Consumer Price Index (1967 = 100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Atlanta | --- | --- | 183.0 | 184.5 | 195.2 | 198.8 | --- | 6.7 | --- | 7.8 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.3 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, the State's personal income totaled \$38.3 billion, up \$4.5 billion since 1977:IV.

North Carolina's increase in personal income would have been smaller had it not been for a 70.5-percent increase in farm personal income, compared with a 26.3-percent national increase. The State's nonfarm personal income increased 11.7 percent from year to year, 0.6 percentage point less than nationally. Since the most recent national business cycle peak in 1973:IV, North Carolina's nonfarm economy has grown somewhat more slowly than the Nation's; the increase in the State's nonfarm income was 2 percent less than nationally, ranking North Carolina 35th among all States.

From 1977:IV to 1978:IV, the **Consumer Price Index** for the Atlanta metropolitan area increased 7.8 percent versus an 8.9-percent national city average increase (table 3). If Atlanta's index is used as an indicator

for price movements in the State, real total personal income in North Carolina increased 5.5 percent from year to year versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 11.8 percent in the State versus 12.6 percent nationally. Durable goods manufacturing payrolls increased 12.8 percent from year to year, 2.4 percentage points less than nationally. In contrast, nondurable goods manufacturing payrolls increased 11.9 percent versus 10.0 percent nationally. The dollar increase in the State's nondurables payrolls accounted for 22 percent of the year-to-year increase in North Carolina's total payrolls.

Payrolls in finance-insurance-real estate increased 7.8 percent in the State, the third smallest increase among all States. Nationally, payrolls in the finance group increased 13.2 percent. Services payrolls increased 11.7 percent in North Carolina, 1.0 percentage point less than nationally. In contrast, payrolls in transportation-communication-public utilities increased 11.6 percent in the State versus 11.3 percent nationally, and trade payrolls increased 15.0 percent versus 14.1 percent nationally.

Construction payrolls increased 12.1 percent in North Carolina, one of the smallest increases in the Nation. Nationally, construction payrolls increased 20.1 percent.

Government payrolls increased considerably more in the State than nationally. Federal Government payrolls increased 11.8 percent statewide, the seventh largest increase in the Nation, compared with a 7.1-percent national increase. State and local government payrolls increased 8.3 percent versus 6.8 percent nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 43.9 percent in North Carolina, one of the largest declines in the Nation. Unemployment benefits throughout the Nation declined 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]

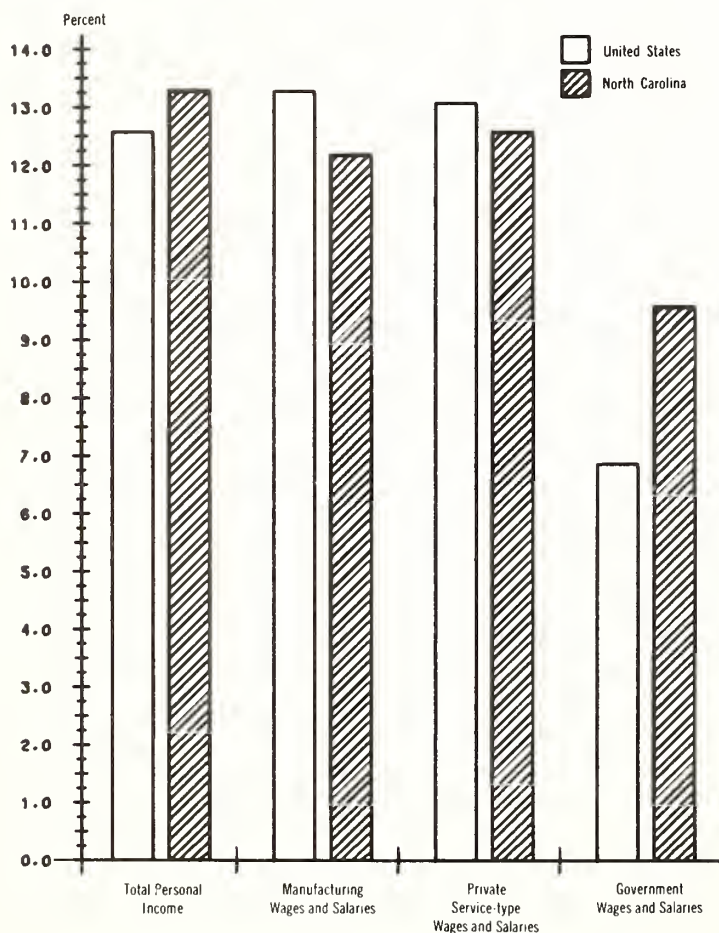


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

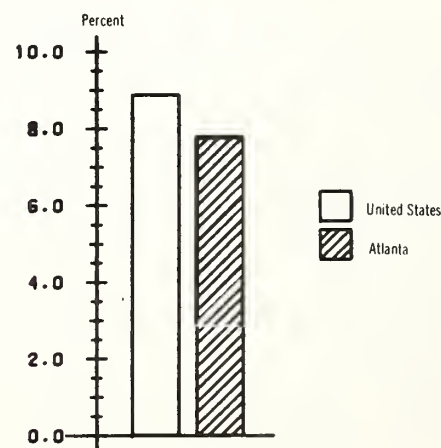


Chart 3.—Total Personal Income

[Seasonally adjusted]

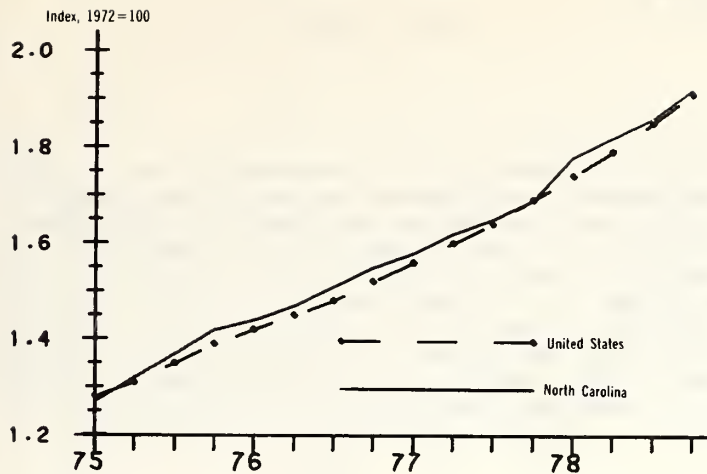


Chart 4.—Industrial Composition of Wages and Salaries: North Carolina

[Seasonally adjusted]

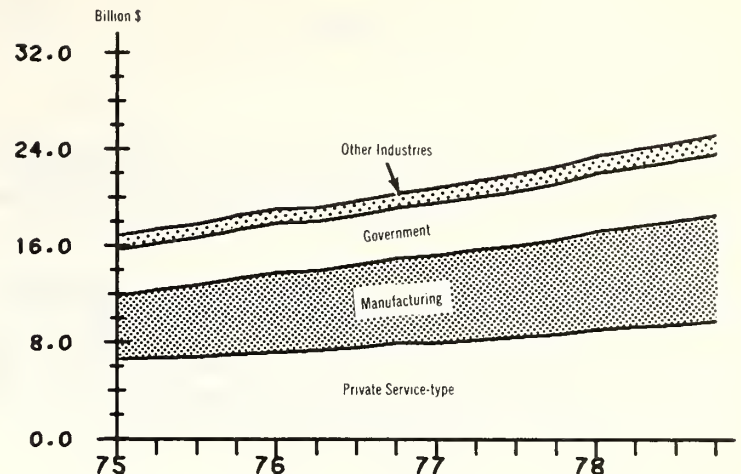


TABLE 2.—Personal Income, United States and North Carolina Through Fourth Quarter, 1978

| | United States | | | North Carolina | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|----------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 32,958 | 33,837 | 37,213 | 38,322 | 12.4 | 12.9 | 12.6 | 13.3 |
| Farm personal income | 31,224 | 39,451 | 848 | 875 | 1,311 | 1,492 | 47.9 | 54.7 | 26.3 | 70.5 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 32,111 | 32,962 | 35,902 | 36,830 | 11.9 | 11.8 | 12.3 | 11.7 |
| Total personal income | 1,583,508 | 1,782,519 | 32,958 | 33,837 | 37,213 | 38,322 | 12.4 | 12.9 | 12.6 | 13.3 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 21,975 | 22,604 | 24,645 | 25,272 | 12.1 | 12.1 | 12.6 | 11.8 |
| Other labor income | 96,016 | 111,719 | 1,852 | 1,934 | 2,162 | 2,214 | 17.0 | 16.7 | 16.4 | 14.5 |
| Proprietors' income | 105,953 | 125,995 | 2,275 | 2,319 | 2,903 | 3,141 | 21.5 | 27.6 | 18.9 | 35.4 |
| Farm | 23,636 | 31,044 | 618 | 644 | 1,078 | 1,252 | 66.6 | 74.4 | 31.3 | 94.5 |
| Nonfarm | 82,317 | 94,951 | 1,657 | 1,675 | 1,825 | 1,889 | 12.8 | 10.2 | 15.3 | 12.8 |
| Dividends, interest, and rent | 214,992 | 242,442 | 3,966 | 4,061 | 4,449 | 4,582 | 12.3 | 12.2 | 12.8 | 12.8 |
| Transfer payments | 215,944 | 233,750 | 4,378 | 4,436 | 4,752 | 4,832 | 8.8 | 8.6 | 8.2 | 8.9 |
| State unemployment insurance benefits | 11,128 | 7,753 | 199 | 174 | 105 | 98 | -24.0 | -47.2 | -30.3 | -43.9 |
| Less: personal contributions | 62,212 | 71,610 | 1,456 | 1,485 | 1,662 | 1,684 | 14.8 | 14.2 | 15.1 | 13.4 |
| Plus: residence adjustment | -401 | -473 | -31 | -33 | -36 | -34 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 21,975 | 22,604 | 24,645 | 25,272 | 12.1 | 12.1 | 12.6 | 11.8 |
| Farm | 7,176 | 7,939 | 225 | 227 | 229 | 236 | 8.5 | 1.7 | 10.6 | 3.9 |
| Nonfarm | 1,006,040 | 1,132,757 | 21,750 | 22,377 | 24,416 | 25,036 | 12.1 | 12.3 | 12.6 | 11.9 |
| Mining | 14,048 | 18,813 | 54 | 53 | 65 | 68 | 26.5 | 19.4 | 33.9 | 27.1 |
| Construction | 55,648 | 66,858 | 1,091 | 1,075 | 1,195 | 1,206 | 19.1 | 9.6 | 20.1 | 12.1 |
| Manufacturing | 276,112 | 312,970 | 7,635 | 7,870 | 8,627 | 8,833 | 12.1 | 13.0 | 13.3 | 12.2 |
| Durable goods | 176,216 | 203,053 | 2,740 | 2,873 | 3,163 | 3,241 | 13.7 | 15.5 | 15.2 | 12.8 |
| Nondurable goods | 99,896 | 109,917 | 4,896 | 4,998 | 5,463 | 5,592 | 9.4 | 11.6 | 10.0 | 11.9 |
| Private service-type | 455,764 | 515,348 | 8,464 | 8,710 | 9,557 | 9,810 | 12.8 | 12.9 | 13.1 | 12.6 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 1,434 | 1,478 | 1,611 | 1,649 | 10.4 | 12.4 | 11.3 | 11.6 |
| Wholesale and retail trade | 170,888 | 195,035 | 3,514 | 3,614 | 4,004 | 4,156 | 13.6 | 14.0 | 14.1 | 15.0 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 884 | 919 | 975 | 991 | 14.1 | 10.3 | 13.2 | 7.8 |
| Services | 153,840 | 173,396 | 2,633 | 2,700 | 2,966 | 3,015 | 12.6 | 12.7 | 12.7 | 11.7 |
| Government | 201,252 | 215,083 | 4,451 | 4,612 | 4,908 | 5,054 | 7.4 | 10.3 | 6.9 | 9.6 |
| Federal | 68,176 | 73,003 | 1,646 | 1,723 | 1,874 | 1,927 | 7.3 | 13.8 | 7.1 | 11.8 |
| State and local | 133,076 | 142,080 | 2,805 | 2,889 | 3,034 | 3,127 | 7.5 | 8.2 | 6.8 | 8.3 |
| Other | 3,216 | 3,685 | 55 | 56 | 65 | 64 | 18.7 | 18.1 | 14.6 | 13.8 |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and North Carolina Through Fourth Quarter, 1978¹

| | United States | | | North Carolina | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|----------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Atlanta..... | --- | --- | 183.0 | 184.5 | 195.2 | 198.8 | --- | 6.7 | --- | 7.8 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, North Carolina's **civilian labor force** increased 2.5 percent versus 3.1 percent nationally (table 4). **Total employment** increased 4.0 percent versus 3.9 percent nationally, to 2.6 million.

With employment increasing by 99,000 and the labor force increasing by 66,000, the number of **unemployed** declined by 33,000, to 100,000. North Carolina's **unemployment rate** declined 1.4 percentage points, to 3.7 percent of the labor force, the lowest unemployment rate in the Southeast region. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

According to preliminary data for December 1978, when the State's unemployment rate was 4.1 percent, unemployment rates among North Carolina's major metropolitan areas ranged from 4.3 percent in Asheville to 2.6 percent in Raleigh-Durham. In Greensboro-Winston-Salem-High Point and Charlotte-Gastonia, the State's largest metropolitan areas, the rates were 3.4 percent and 3.1 percent, respectively. From December 1977 to December 1978, the unemployment rate declined 1.4 percentage points in Asheville, compared with a decline of 0.9 percentage point statewide; Asheville's decline was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: North Carolina

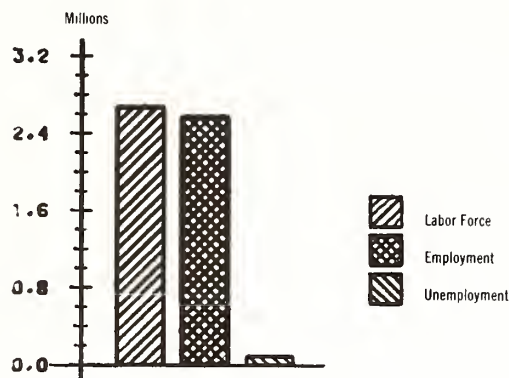


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

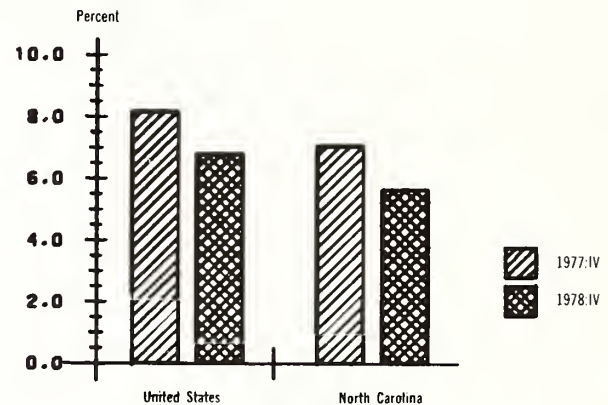


TABLE 4.—Labor Force, United States and North Carolina Through Fourth Quarter, 1978

| | United States | | | North Carolina | | | U.S. | State | U.S. | State |
|--|--|----------------|--------------|----------------|--------------|--------------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 2,127 | 2,178 | 2,194 | 2,245 | 4.3 | 3.1 | 4.2 | 3.1 |
| Mining | 787 | 899 | 5 | 5 | 5 | 5 | 8.2 | 4.1 | 14.2 | 10.6 |
| Construction .. | 4,032 | 4,488 | 106 | 105 | 114 | 113 | 10.4 | 6.9 | 11.3 | 7.0 |
| Manufacturing .. | 19,986 | 20,722 | 787 | 793 | 798 | 808 | 3.1 | 1.4 | 3.7 | 1.9 |
| Transportation, communication, and public utilities .. | 4,761 | 4,971 | 104 | 106 | 109 | 110 | 3.8 | 4.6 | 4.4 | 4.3 |
| Wholesale and retail trade | 19,152 | 20,015 | 414 | 425 | 429 | 442 | 5.3 | 3.6 | 4.5 | 4.0 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 84 | 84 | 85 | 84 | 4.8 | .8 | -2.0 | .2 |
| Services | 15,539 | 16,215 | 301 | 298 | 318 | 311 | 4.6 | 5.8 | 4.4 | 4.5 |
| Government | 15,434 | 15,656 | 326 | 362 | 336 | 372 | 2.1 | 3.0 | 1.4 | 2.7 |
| Civilian labor force³ | 98,591 | 101,615 | 2,686 | 2,614 | 2,726 | 2,680 | 3.2 | 1.5 | 3.1 | 2.5 |
| Total employed .. | 92,442 | 96,010 | 2,534 | 2,481 | 2,619 | 2,580 | 4.1 | 3.4 | 3.9 | 4.0 |
| Total unemployed .. | 6,149 | 5,605 | 152 | 133 | 106 | 100 | -9.8 | -30.1 | -8.8 | -24.6 |
| Percent unemployed .. | 6.2 | 5.5 | 5.6 | 5.1 | 3.9 | 3.7 | — | — | — | — |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

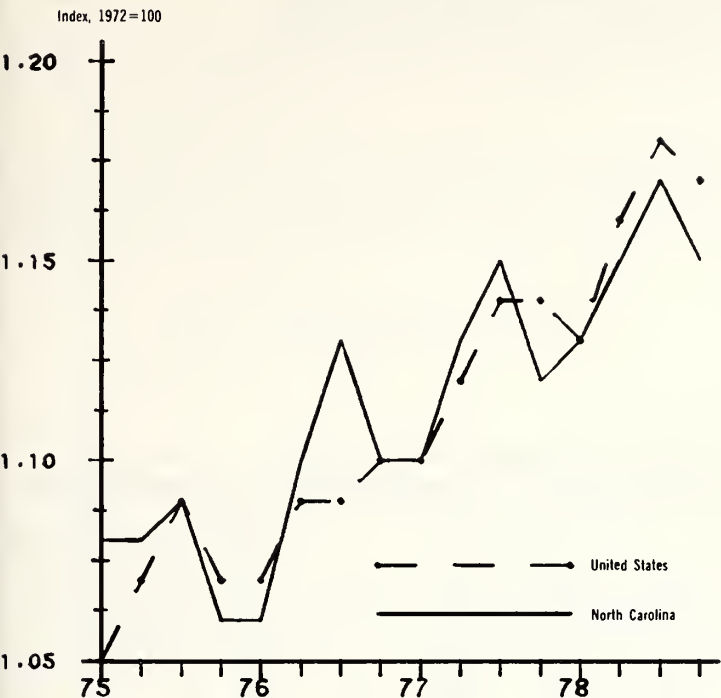


Chart 8.—Civilian Employment

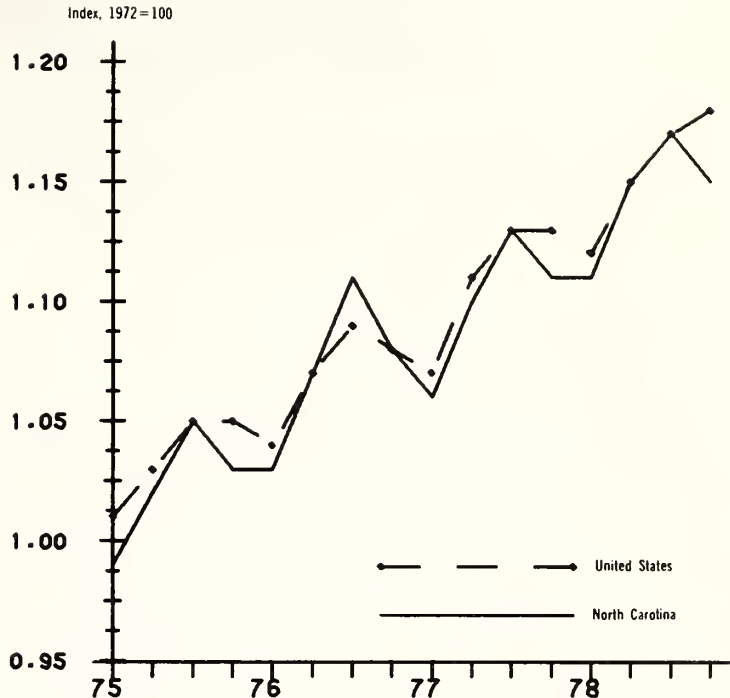


Chart 9.—Unemployment Rate

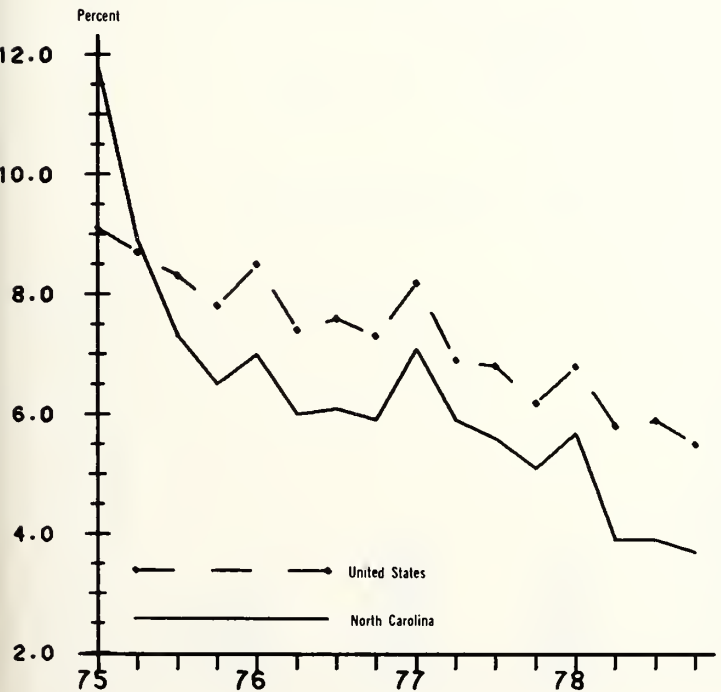
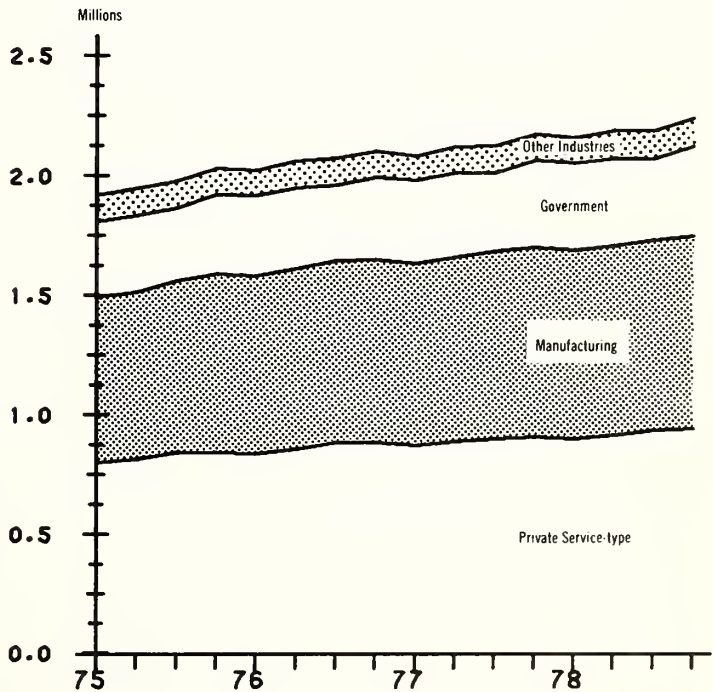


Chart 10.—Industrial Composition of Nonagricultural Employment: North Carolina



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and North Carolina Through Fourth Quarter, 1978

| | United States | | | North Carolina | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|----------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 9,287 | 9,535 | 10,545 | n.a. | 16.3 | 13.5 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 3,029 | 3,163 | 3,421 | n.a. | 14.2 | 12.9 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 3,367 | 3,484 | 3,830 | n.a. | 20.2 | 13.7 | --- | --- |
| Real estate | 177,935 | n.a. | 2,000 | 2,026 | 2,372 | n.a. | 19.9 | 18.6 | --- | --- |
| Residential | 101,236 | n.a. | 826 | 839 | 1,025 | n.a. | 21.3 | 24.1 | --- | --- |
| Farms | 7,731 | n.a. | 117 | 104 | 106 | n.a. | 10.7 | -9.3 | --- | --- |
| Other | 68,968 | n.a. | 1,057 | 1,083 | 1,241 | n.a. | 19.0 | 17.4 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 288 | 253 | 303 | n.a. | 6.8 | 5.1 | --- | --- |
| Other | 69,947 | n.a. | 603 | 609 | 619 | n.a. | 8.0 | 2.7 | --- | --- |
| Total deposits | 925,511 | n.a. | 13,473 | 14,419 | 14,896 | n.a. | 11.5 | 10.6 | --- | --- |
| Demand | 377,683 | n.a. | 5,630 | 6,160 | 6,151 | n.a. | 10.2 | 9.3 | --- | --- |
| Time and savings | 547,828 | n.a. | 7,843 | 8,259 | 8,745 | n.a. | 12.3 | 11.5 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 25.7 percent (\$235.2 million), to \$1.2 billion (table 6). The national increase was 16.8 percent. National construction costs increased 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the real increase in the total valuation of contracts in North Carolina was about 13 percent versus about 4 percent nationally.

The valuation of residential housekeeping contracts increased 38.0 percent, well over twice the national increase. North Carolina's increase was one of the largest in the Nation. The number of dwelling units started increased 33.1 percent (3,979 units), to 16,011 units. Nationally, in contrast, the number of dwelling units started was almost unchanged

at a high level. The valuation of residential housekeeping addition and alteration contracts increased 31.9 percent in the State, more than twice as fast as nationally. North Carolina's increase was one of the largest in the Nation.

Nonresidential contracts increased 13.7 percent in valuation, 2.1 percentage points less than nationally.

Nonbuilding contracts declined 1.1 percent in valuation, compared with a 22.2-percent national increase. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 9.2 percent in the State and 16.3 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

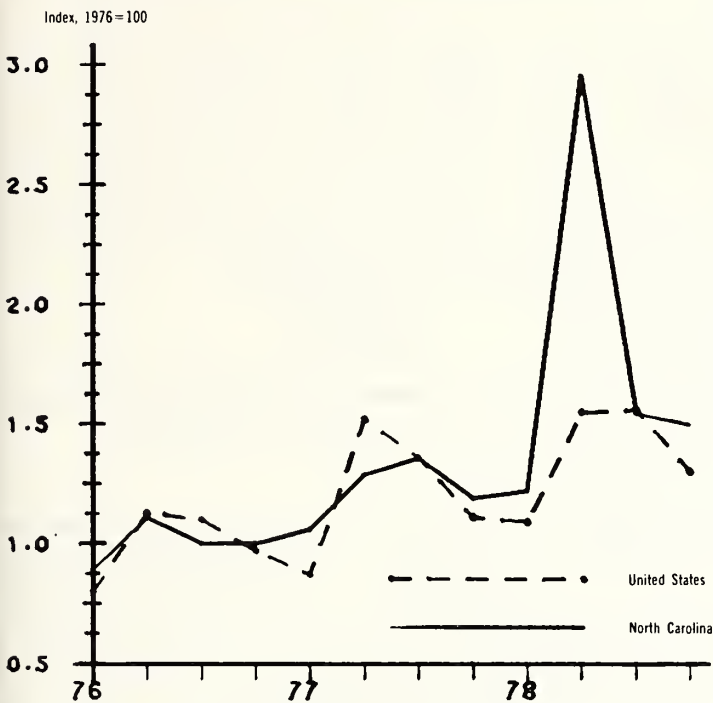


Chart 15.—Construction Contracts—Valuation of Contracts by Type: North Carolina

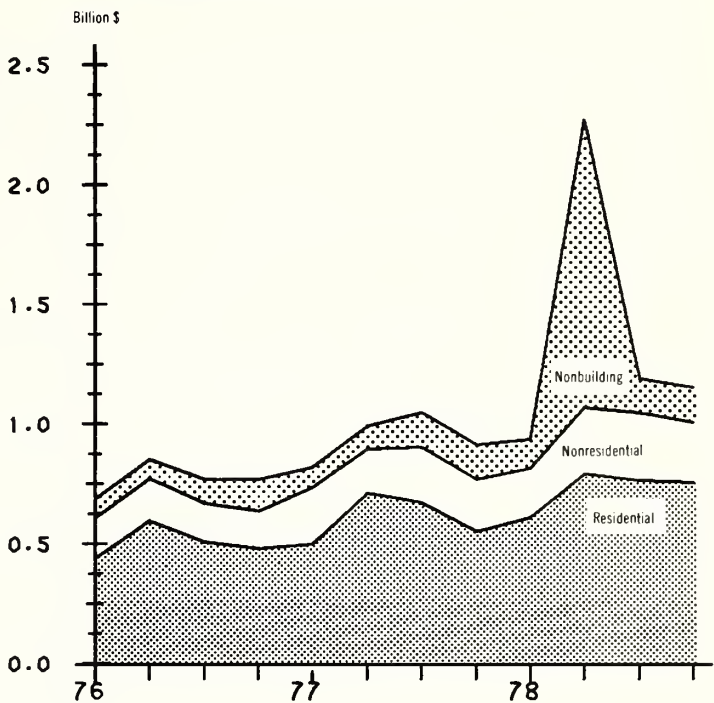


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

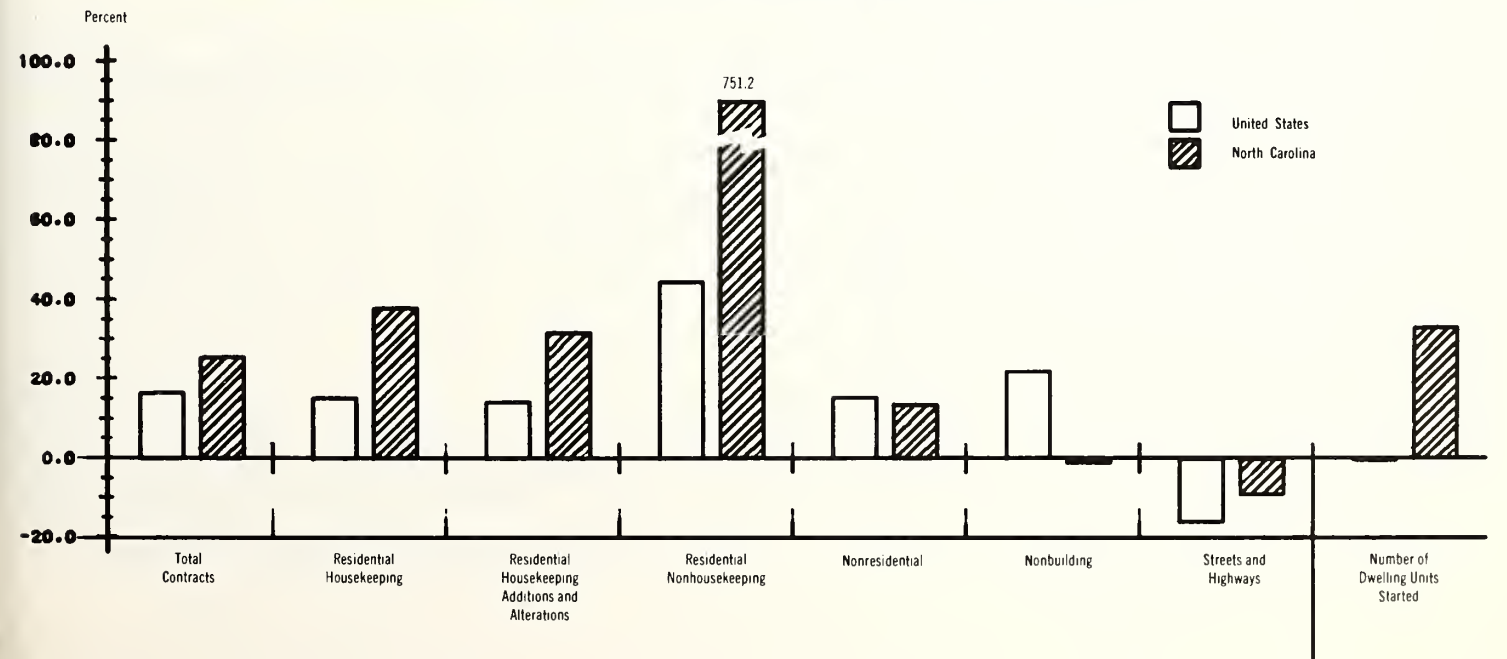


TABLE 6.—Construction Contracts, United States and North Carolina Through Fourth Quarter, 1978¹

| | United States | | | North Carolina | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|-----------|----------------|-----------|-----------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 1,052,887 | 916,479 | 1,188,015 | 1,151,661 | 14.5 | 12.8 | 16.8 | 25.7 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 204,784 | 166,837 | 238,128 | 220,082 | 16.8 | 16.3 | 14.6 | 31.9 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,329 | 1,431 | 1,666 | 1,520 | 4.4 | 25.4 | -9.3 | 6.2 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 848,103 | 749,642 | 949,887 | 931,579 | 14.0 | 12.0 | 17.4 | 24.3 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 32,565 | 28,472 | 35,927 | 35,954 | 10.8 | 10.3 | 10.2 | 26.3 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 389 | 376 | 392 | 438 | -5.1 | .8 | -4.3 | 16.5 |
| Number of dwelling units | 445,772 | 443,075 | 14,998 | 12,032 | 15,061 | 16,011 | 1.0 | .4 | -6 | 33.1 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 464,019 | 383,780 | 521,480 | 529,619 | 15.3 | 12.4 | 15.6 | 38.0 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 25,022 | 20,569 | 27,188 | 27,305 | 10.3 | 8.7 | 10.7 | 32.7 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 5 | 9 | 16 | 8 | -10.0 | 220.0 | -4 | -11.1 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 6,443 | 1,053 | 5,100 | 8,963 | 9.4 | -20.8 | 44.8 | 751.2 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 165 | 33 | 135 | 207 | -7 | -17.8 | 24.7 | 535.6 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 584 | 699 | 746 | 682 | -2.5 | 27.7 | -12.0 | -2.4 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 233,262 | 217,606 | 284,477 | 247,411 | 27.6 | 22.0 | 15.8 | 13.7 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 7,379 | 7,870 | 8,603 | 8,442 | 12.2 | 16.6 | 8.9 | 7.3 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 351 | 347 | 512 | 392 | 22.4 | 45.9 | -9.1 | 13.0 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 144,379 | 147,203 | 138,830 | 145,586 | -1 | -3.8 | 22.2 | -1.1 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 148 | 84 | 165 | 122 | 9.3 | 11.5 | -17.8 | 45.2 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 79,420 | 60,724 | 62,431 | 55,148 | 3.0 | -21.4 | -16.3 | -9.2 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in North Carolina totaled \$4.9 billion in 1978:IV, up 9.7 percent (\$430 million) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for \$3.2 billion, and durable goods accounted for \$1.7 billion.

TABLE 7.—Retail Sales, United States and North Carolina Through Fourth Quarter, 1978

| | United States | | | North Carolina | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|----------------|----------|---------|-----------------------|----------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Millions of dollars, not seasonally adjusted | | | | | | | Percent change | | |
| Retail sales..... | 197,030 | 219,020 | 4,061 | 4,452 | 4,465 | 4,882 | 10.3 | 9.9 | 11.2 | 9.7 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 1,564 | 1,688 | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | 2,901 | 3,194 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

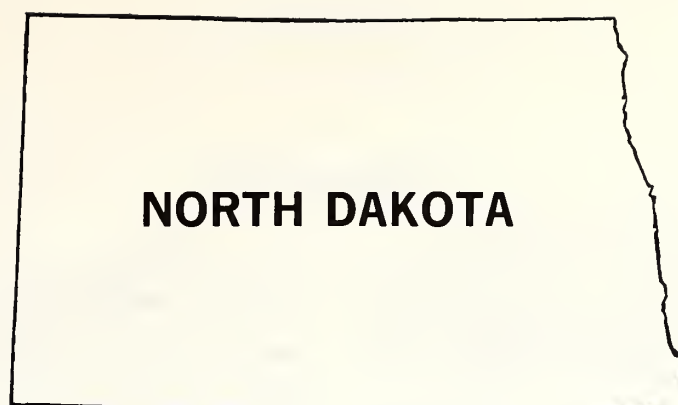
TABLE 8.—Business Incorporations and Failures, United States and North Carolina Through Fourth Quarter, 1978

| | United States | | | North Carolina | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|----------------|----------|---------|------------------------|-------|----------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III — 1978:III | | 1977:IV — 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 2,045 | 2,071 | 2,178 | n.a. | 8.2 | 6.5 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 1 | 8 | 23 | n.a. | -9.5 | *** | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 33 | 499 | 2,314 | n.a. | -44.2 | *** | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 33 | 62 | 101 | n.a. | -38.4 | 206.1 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 1 | 1 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 1 | 2 | 8 | n.a. | 1.0 | 700.0 | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 0 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 0 | 2 | 10 | n.a. | -4.2 | --- | --- | --- |
| Commercial services | 238 | n.a. | 0 | 3 | 4 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 23.9% vs. 12.6% in U.S., to \$5.4 billion
- Farm personal income up 107.5% vs. 26.3% in U.S.
- Payrolls up 28.6% in construction vs. 20.1% in U.S.

Employment

- Up 1.7% vs. 3.9% in U.S., to 277,000

Unemployment

- Down slightly, to 13,000
- Rate down slightly, to 4.4% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts down 51.2% vs. 16.8% increase in U.S., to \$161.1 million
- Valuation of nonbuilding contracts down 90.8% vs. 22.2% increase in U.S.
- Number of dwelling-unit starts down 2.8% vs. near stability in U.S., to 1,771

TABLE 1.—Summary of Economic Indicators, United States and North Dakota Through Fourth Quarter, 1978

| | United States | | | North Dakota | | | U.S. | State | U.S. | State |
|--|--|------------|----------|--------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 3,783 | 4,323 | 4,888 | 5,358 | 12.4 | 29.2 | 12.6 | 23.9 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 2,250 | 2,328 | 2,555 | 2,641 | 12.1 | 13.6 | 12.6 | 13.5 |
| Civilian employment (thousands) | 92,442 | 96,010 | 297 | 273 | 304 | 277 | 4.1 | 2.2 | 3.9 | 1.7 |
| Unemployment (thousands) | 6,149 | 5,605 | 13 | 13 | 11 | 13 | −9.8 | −9.8 | −8.8 | −1.1 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 4.0 | 4.5 | 3.6 | 4.4 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 1,995 | 2,013 | 2,262 | n.a. | 16.3 | 13.4 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 2,944 | 3,144 | 3,311 | n.a. | 11.5 | 12.5 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 199,168 | 330,152 | 441,516 | 161,139 | 14.5 | 121.7 | 16.8 | −51.2 |
| Dwelling units started (number) | 445,772 | 443,075 | 2,098 | 1,822 | 2,879 | 1,771 | 1.0 | 37.2 | −.6 | −2.8 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 195 | 217 | 262 | n.a. | 8.2 | 34.4 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 11 | 5 | 6 | n.a. | −9.5 | −45.5 | --- | --- |
| Consumer Price Index (1967=100): U.S. city average..... | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 23.9 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). North Dakota's increase was the second largest in the Nation, after Wyoming's 25.6-percent increase. In 1978:IV, the State's personal income totaled \$5.4 billion, up \$1.0 billion since 1977:IV.

North Dakota's increase in personal income would have been considerably smaller had it not been for a 107.5-percent increase in farm personal income, compared with a 26.3-percent national increase. The increase in North Dakota was one of the largest among all States. The State's nonfarm personal income increased 12.8 percent from year to year, compared with a 12.3-percent increase nationally. Since the most recent national business cycle peak in 1973:IV, North Dakota's nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 19 percent more than nationally, ranking North Dakota 14th among all States.

Wage and salary disbursements (payrolls) from 1977:IV to 1978:IV increased 13.5 percent in the State versus 12.6 percent nationally. In 1978:IV, they totaled \$2.6 billion, up \$313 million since 1977:IV.

Payrolls in construction increased 28.6 percent in the State, 8.5 percentage points more than nationally; North Dakota's increase was one of the largest in the Nation. The dollar increase in the State's construction payrolls accounted for one-fifth of the year-to-year increase in all of North Dakota's payrolls. The State's sharp increase probably reflects electric-generating-plant construction contracts in late 1977 and mid-1978. Mining payrolls increased 61.1 percent from year to year versus 33.9 percent nationally. North Dakota's increase was the second largest in the Nation, after Minnesota's.

Nondurable goods manufacturing payrolls increased 21.8 percent in the State, more than twice as much as nationally. North Dakota's increase was only a fraction less than Utah's 21.9-percent increase, which was the largest in the Nation. The State's increase in durable goods manufacturing payrolls was 21.0 percent, one of the largest gains in the Nation, compared with 15.2 percent nationally.

Payrolls in the private service-type industry group increased 11.8 percent from year to year, 1.3 percentage points less than nationally. The State's lag was due to an increase of only 6.8 percent in services payrolls, one of the smallest increases in the Nation, compared with a national increase of 12.7 percent. North Dakota's trade payrolls increased at the national rate, 14.1 percent. Payrolls in transportation-communication-public utilities increased 11.7 percent in the State versus 11.3 percent nationally, and payrolls in finance-insurance-real estate increased 16.5 percent versus 13.2 percent nationally.

State and local government payrolls increased 7.3 percent from year to year versus 6.8 percent nationally. Federal Government payrolls, in contrast, increased 3.8 percent, one of the smallest increases in the Nation and 3.3 percentage points less than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 23.0 percent in the State and 30.3 percent throughout the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV

[Seasonally adjusted]

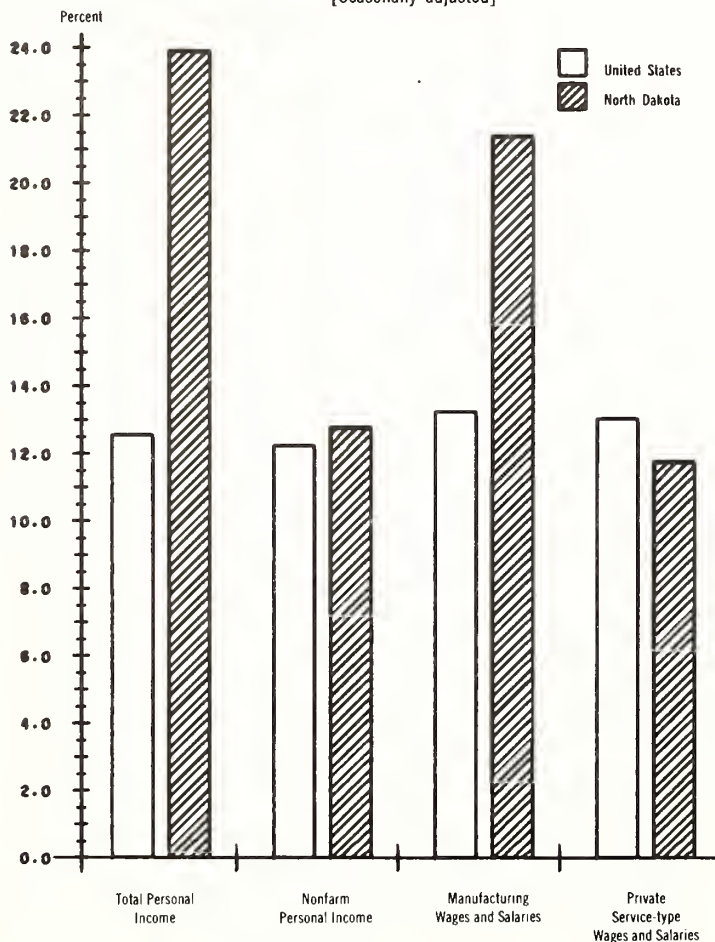


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

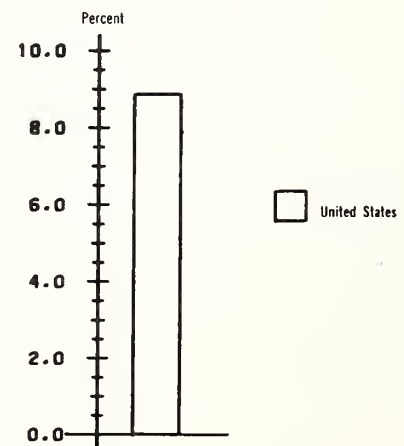


Chart 3.—Total Personal Income
[Seasonally adjusted]

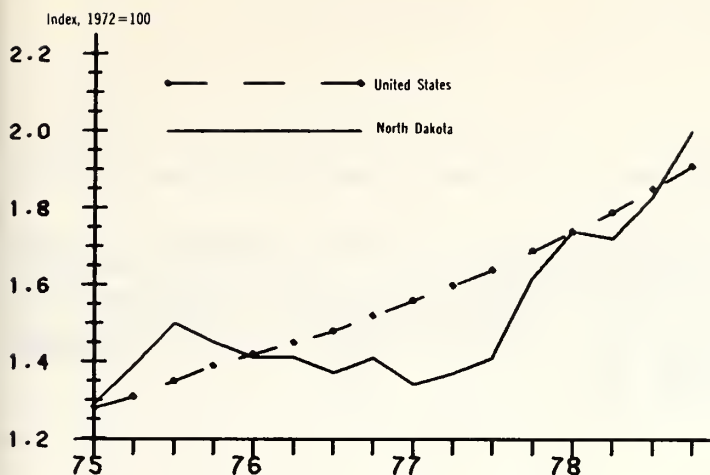


Chart 4.—Industrial Composition of Wages and Salaries: North Dakota
[Seasonally adjusted]

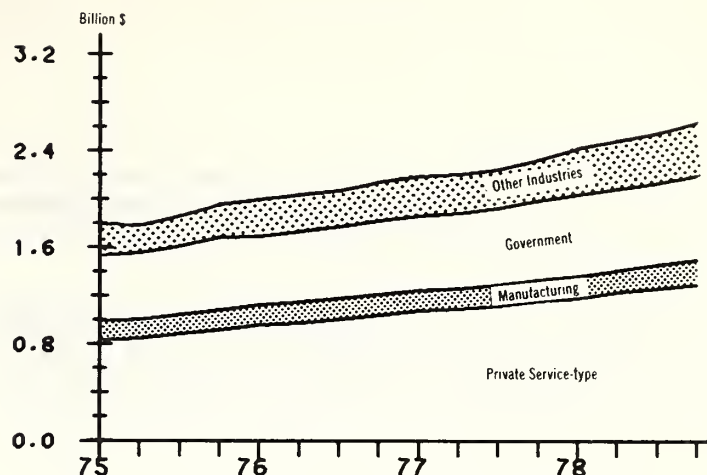


TABLE 2.—Personal Income, United States and North Dakota Through Fourth Quarter, 1978

| | United States | | | North Dakota | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|--------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 3,783 | 4,323 | 4,888 | 5,358 | 12.4 | 29.2 | 12.6 | 23.9 |
| Farm personal income | 31,224 | 39,451 | 83 | 508 | 716 | 1,055 | 47.9 | 759.6 | 26.3 | 107.5 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 3,699 | 3,815 | 4,172 | 4,303 | 11.9 | 12.8 | 12.3 | 12.8 |
| Total personal income | 1,583,508 | 1,782,519 | 3,783 | 4,323 | 4,888 | 5,358 | 12.4 | 29.2 | 12.6 | 23.9 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 2,250 | 2,328 | 2,555 | 2,641 | 12.1 | 13.6 | 12.6 | 13.5 |
| Other labor income | 96,016 | 111,719 | 164 | 173 | 198 | 204 | 17.0 | 20.5 | 16.4 | 18.1 |
| Proprietors' income | 105,953 | 125,995 | 329 | 763 | 1,010 | 1,364 | 21.5 | 207.2 | 18.9 | 78.8 |
| Farm | 23,636 | 31,044 | 28 | 454 | 659 | 996 | 66.6 | *** | 31.3 | 119.3 |
| Nonfarm | 82,317 | 94,951 | 301 | 309 | 351 | 368 | 12.8 | 16.7 | 15.3 | 19.2 |
| Dividends, interest, and rent | 214,992 | 242,442 | 789 | 811 | 882 | 908 | 12.3 | 11.8 | 12.8 | 12.0 |
| Transfer payments | 215,944 | 233,750 | 540 | 548 | 583 | 591 | 8.8 | 8.0 | 8.2 | 7.8 |
| State unemployment insurance benefits | 11,128 | 7,753 | 35 | 34 | 26 | 26 | -24.0 | -24.7 | -30.3 | -23.0 |
| Less: personal contributions | 62,212 | 71,610 | 187 | 193 | 222 | 227 | 14.8 | 18.5 | 15.1 | 17.5 |
| Plus: residence adjustment | -401 | -473 | -102 | -106 | -119 | -123 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 2,250 | 2,328 | 2,555 | 2,641 | 12.1 | 13.6 | 12.6 | 13.5 |
| Farm | 7,176 | 7,939 | 54 | 53 | 55 | 57 | 8.5 | 2.4 | 10.6 | 8.8 |
| Nonfarm | 1,006,040 | 1,132,757 | 2,196 | 2,275 | 2,500 | 2,583 | 12.1 | 13.8 | 12.6 | 13.6 |
| Mining | 14,048 | 18,813 | 49 | 52 | 78 | 84 | 26.5 | 59.8 | 33.9 | 61.1 |
| Construction | 55,648 | 66,858 | 214 | 225 | 275 | 289 | 19.1 | 29.0 | 20.1 | 28.6 |
| Manufacturing | 276,112 | 312,970 | 173 | 171 | 203 | 208 | 12.1 | 17.7 | 13.3 | 21.4 |
| Durable goods | 176,216 | 203,053 | 95 | 93 | 110 | 112 | 13.7 | 15.7 | 15.2 | 21.0 |
| Nondurable goods | 99,896 | 109,917 | 78 | 78 | 93 | 95 | 9.4 | 20.1 | 10.0 | 21.8 |
| Private service-type | 455,764 | 515,348 | 1,124 | 1,163 | 1,264 | 1,300 | 12.8 | 12.5 | 13.1 | 11.8 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 200 | 214 | 231 | 240 | 10.4 | 15.6 | 11.3 | 11.7 |
| Wholesale and retail trade | 170,888 | 195,035 | 505 | 507 | 562 | 578 | 13.6 | 11.3 | 14.1 | 14.1 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 100 | 104 | 117 | 121 | 14.1 | 17.3 | 13.2 | 16.5 |
| Services | 153,840 | 173,396 | 320 | 338 | 355 | 361 | 12.6 | 10.9 | 12.7 | 6.8 |
| Government | 201,252 | 215,083 | 630 | 656 | 670 | 693 | 7.4 | 6.4 | 6.9 | 5.8 |
| Federal | 68,176 | 73,003 | 275 | 292 | 290 | 303 | 7.3 | 5.5 | 7.1 | 3.8 |
| State and local | 133,076 | 142,080 | 355 | 364 | 380 | 390 | 7.5 | 7.1 | 6.8 | 7.3 |
| Other | 3,216 | 3,685 | 8 | 8 | 9 | 9 | 18.7 | 21.9 | 14.6 | 15.1 |

***Percent change greater than 999.9.

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and North Dakota Through Fourth Quarter, 1978¹

| | United States | | | North Dakota | | | U.S. | State | U.S. | State |
|--|---------------|---------|----------|--------------|----------|---------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Index, 1967 = 100, not seasonally adjusted | | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, North Dakota's **civilian labor force** increased 1.5 percent versus 3.1 percent nationally (table 4). **Total employment** increased 1.7 percent versus 3.9 percent nationally, to 277,000; North Dakota's was the smallest increase in the Plains region.

With the labor force increasing by about 5,000 and employment increasing by about 4,000, the number of **unemployed** was little changed, at 13,000. North Dakota's **unemployment rate** declined fractionally, to 4.4 percent of the labor force. The national unemployment rate in

1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Preliminary data for December 1978 show unemployment rates of 5.2 percent for the State as a whole and 3.8 percent for Fargo-Moorhead, North Dakota's major metropolitan area. While the State's unemployment rate increased slightly from December 1977 to December 1978, the rate for Fargo-Moorhead declined by 0.6 percentage point.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: North Dakota

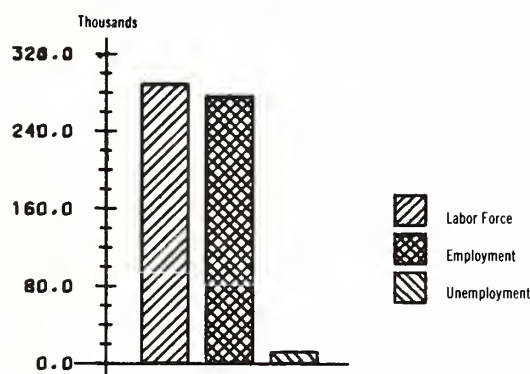


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

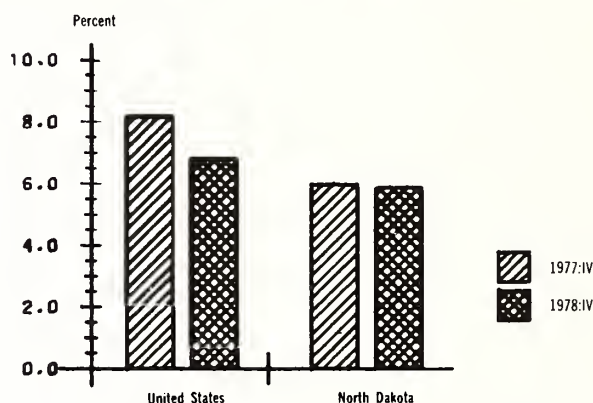


TABLE 4.—Labor Force, United States and North Dakota Through Fourth Quarter, 1978

| | United States | | | North Dakota | | | U.S. | State | U.S. | State |
|---|--|---------|----------|--------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 224 | 227 | 233 | 236 | 4.3 | 3.7 | 4.2 | 4.0 |
| Mining | 787 | 899 | 3 | 3 | 4 | 4 | 8.2 | 14.7 | 14.2 | 17.6 |
| Construction | 4,032 | 4,488 | 20 | 18 | 21 | 19 | 10.4 | 5.1 | 11.3 | 7.4 |
| Manufacturing | 19,986 | 20,722 | 15 | 16 | 16 | 16 | 3.1 | 4.0 | 3.7 | 5.1 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 14 | 14 | 15 | 15 | 3.8 | 7.1 | 4.4 | 7.8 |
| Wholesale and retail trade | 19,152 | 20,015 | 64 | 64 | 66 | 66 | 5.3 | 3.3 | 4.5 | 3.0 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 10 | 10 | 11 | 11 | 4.8 | 7.0 | -2.0 | 6.9 |
| Services | 15,539 | 16,215 | 43 | 43 | 45 | 45 | 4.6 | 4.0 | 4.4 | 4.4 |
| Government | 15,434 | 15,656 | 56 | 59 | 56 | 60 | 2.1 | 1.4 | 1.4 | 1.0 |
| Civilian labor force ³ | 98,591 | 101,615 | 310 | 285 | 315 | 290 | 3.2 | 1.7 | 3.1 | 1.5 |
| Total employed | 92,442 | 96,010 | 297 | 273 | 304 | 277 | 4.1 | 2.2 | 3.9 | 1.7 |
| Total unemployed | 6,149 | 5,605 | 13 | 13 | 11 | 13 | -9.8 | -9.8 | -8.8 | -1.1 |
| Percent unemployed | 6.2 | 5.5 | 4.0 | 4.5 | 3.6 | 4.4 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

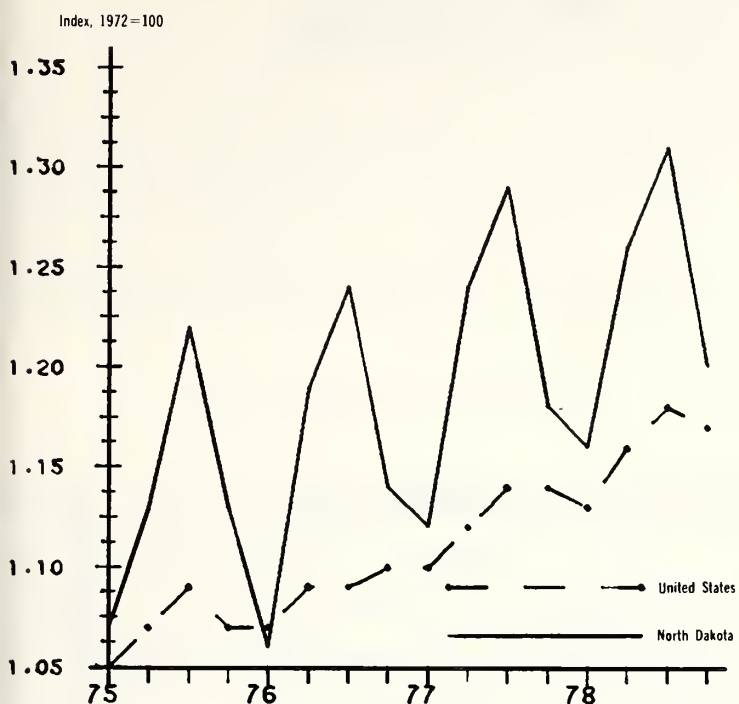


Chart 8.—Civilian Employment

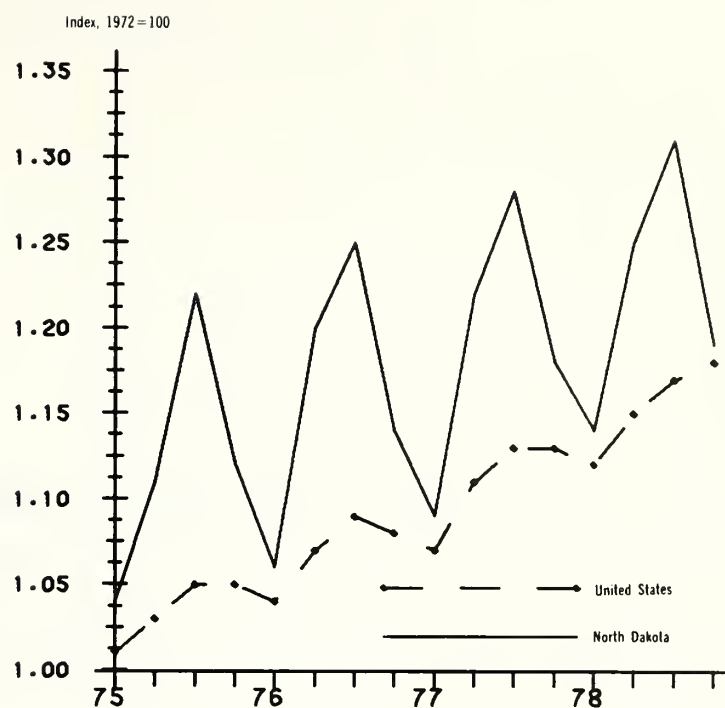


Chart 9.—Unemployment Rate

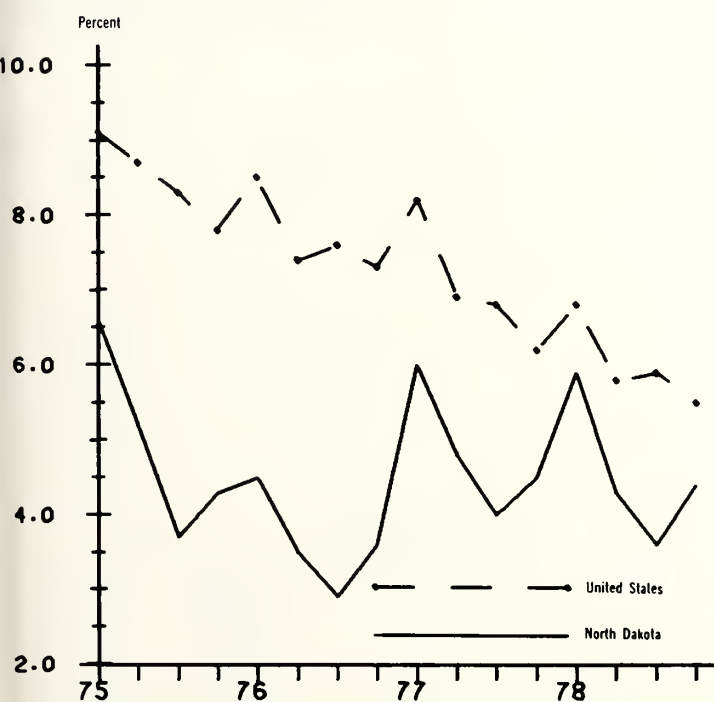
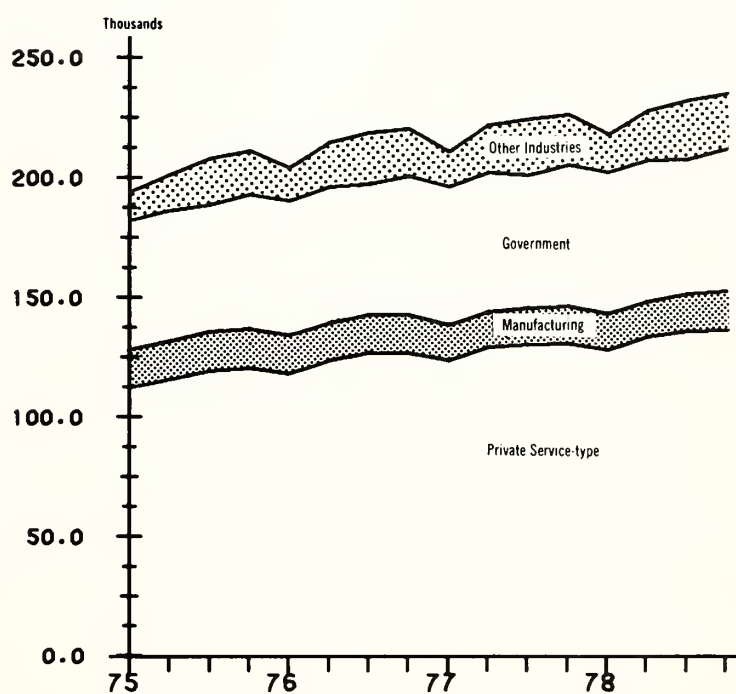


Chart 10.—Industrial Composition of Nonagricultural Employment: North Dakota



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and North Dakota Through Fourth Quarter, 1978

| | United States | | | North Dakota | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|--------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 1,995 | 2,013 | 2,262 | n.a. | 16.3 | 13.4 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 478 | 498 | 568 | n.a. | 14.2 | 18.8 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 404 | 406 | 466 | n.a. | 20.2 | 15.3 | --- | --- |
| Real estate | 177,935 | n.a. | 493 | 511 | 573 | n.a. | 19.9 | 16.2 | --- | --- |
| Residential..... | 101,236 | n.a. | 273 | 289 | 320 | n.a. | 21.3 | 17.0 | --- | --- |
| Farms..... | 7,731 | n.a. | 68 | 68 | 74 | n.a. | 10.7 | 9.8 | --- | --- |
| Other | 68,968 | n.a. | 153 | 155 | 180 | n.a. | 19.0 | 17.5 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 595 | 576 | 626 | n.a. | 6.8 | 5.1 | --- | --- |
| Other..... | 69,947 | n.a. | 25 | 22 | 29 | n.a. | 8.0 | 18.0 | --- | --- |
| Total deposits | 925,511 | n.a. | 2,944 | 3,144 | 3,311 | n.a. | 11.5 | 12.5 | --- | --- |
| Demand | 377,683 | n.a. | 906 | 1,049 | 1,019 | n.a. | 10.2 | 12.5 | --- | --- |
| Time and savings | 547,828 | n.a. | 2,037 | 2,095 | 2,292 | n.a. | 12.3 | 12.5 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts declined by slightly more than one-half, to \$161.1 million (table 6). North Dakota's percent decline, the largest in the Nation, compared with a 16.8-percent national increase. A \$176 million contract in 1977:IV for the construction of an electric generating plant in Mercer County raised the State's total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If the Mercer County contract is excluded, the total valuation of contracts in the State would have increased 4.5 percent from year to year. During the same timespan, national construction costs increased about 13 percent.

Partly reflecting the Mercer County contract, the valuation of nonbuilding contracts declined 90.8 percent versus a 22.2-percent national increase. North Dakota's decline was the largest in the Nation.

Street and highway contracts, a major component of nonbuilding contracts, declined 42.4 percent in valuation in North Dakota and 16.3 percent in the Nation.

Residential housekeeping contracts increased 10.1 percent in valuation, compared with 15.6 percent nationally. The number of dwelling units started declined 2.8 percent, to 1,771 units. Nationally, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased only 0.2 percent in valuation in the State versus 14.6 percent nationally. Forty-three States registered increases that were larger than North Dakota's.

The valuation of nonresidential contracts increased 75.5 percent in the State, almost five times more than nationally. Only three States—Louisiana, Oklahoma, and Oregon—registered larger increases.

Chart 14.—Construction Contracts—Total Valuation

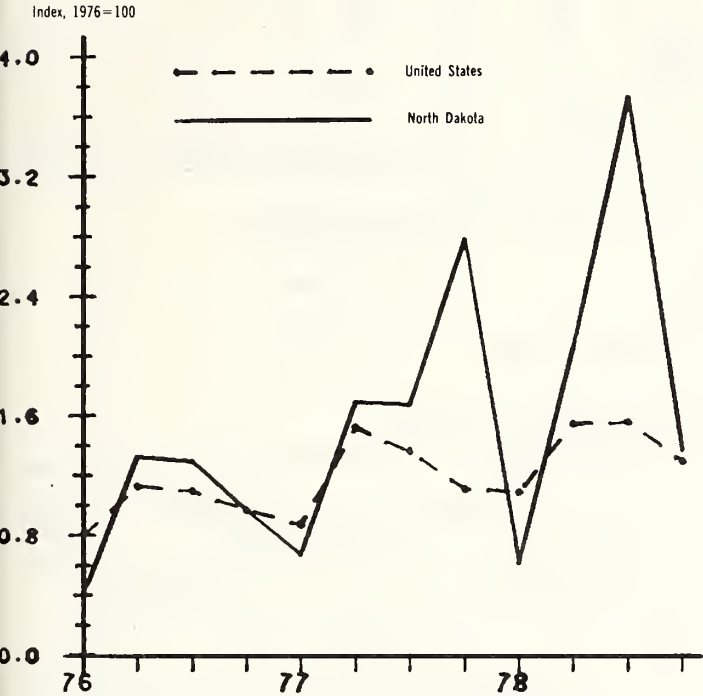


Chart 15.—Construction Contracts—Valuation of Contracts by Type: North Dakota

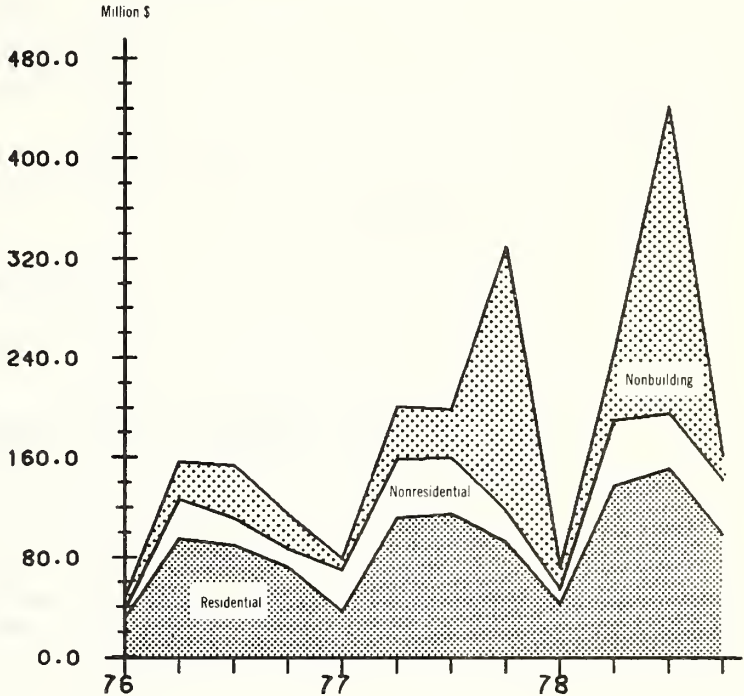


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

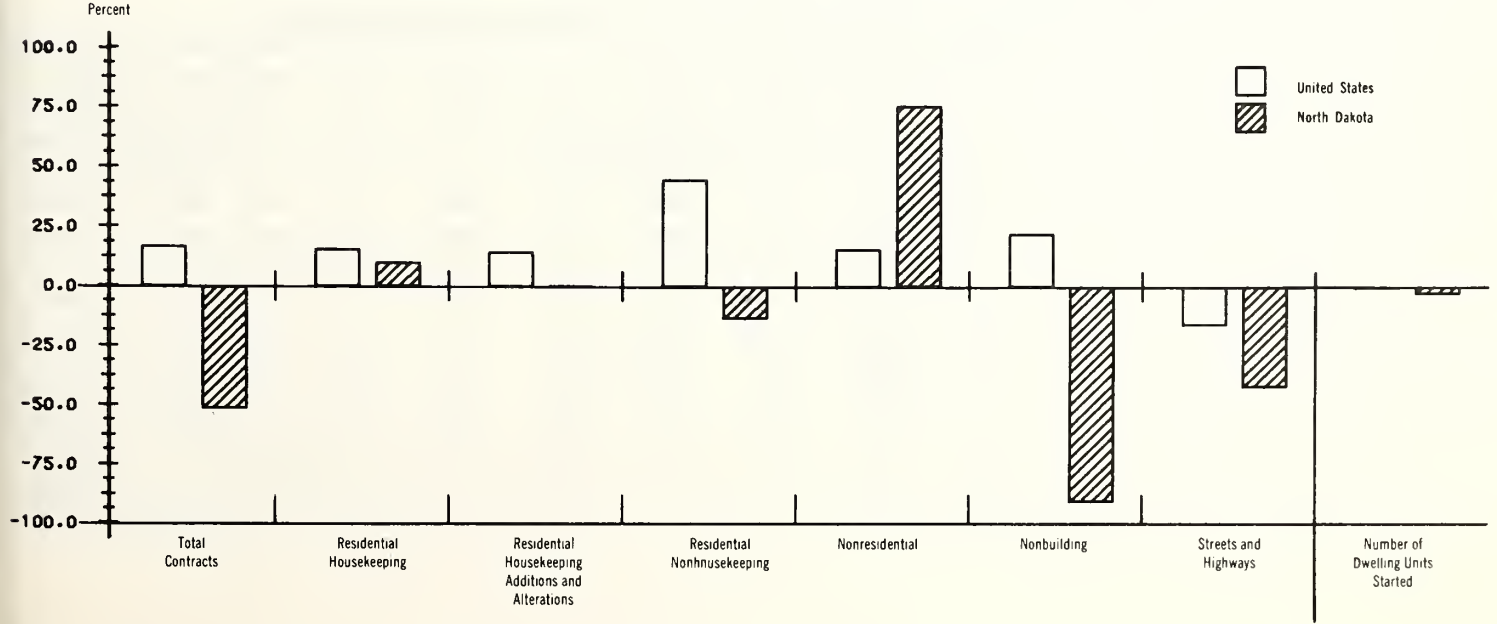


TABLE 6.—Construction Contracts, United States and North Dakota Through Fourth Quarter, 1978¹

| | United States | | | North Dakota | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|----------------|----------------|----------------|----------------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 199,168 | 330,152 | 441,516 | 161,139 | 14.5 | 121.7 | 16.8 | -51.2 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 26,776 | 26,509 | 32,106 | 26,557 | 16.8 | 19.9 | 14.6 | .2 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 609 | 541 | 599 | 412 | 4.4 | -1.6 | -9.3 | -23.8 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 172,392 | 303,643 | 409,410 | 134,582 | 14.0 | 137.5 | 17.4 | -55.7 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 4,481 | 3,447 | 5,840 | 3,868 | 10.8 | 30.3 | 10.2 | 12.2 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 207 | 219 | 212 | 207 | -5.1 | 2.4 | -4.3 | -5.5 |
| Number of dwelling units | 445,772 | 443,075 | 2,098 | 1,822 | 2,879 | 1,771 | 1.0 | 37.2 | -.6 | -2.8 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 84,084 | 63,338 | 112,506 | 69,739 | 15.3 | 33.8 | 15.6 | 10.1 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 2,980 | 2,413 | 4,172 | 2,540 | 10.3 | 40.0 | 10.7 | 5.2 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 5 | 7 | 8 | 7 | -10.0 | 60.0 | -.4 | .0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 4,164 | 1,964 | 6,875 | 1,700 | 9.4 | 65.1 | 44.8 | -13.4 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 163 | 72 | 233 | 41 | -.7 | 43.2 | 24.7 | -43.0 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 157 | 130 | 135 | 108 | -2.5 | -14.0 | -12.0 | -16.9 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 45,419 | 24,825 | 44,401 | 43,557 | 27.6 | -2.2 | 15.8 | 75.5 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 1,339 | 962 | 1,435 | 1,288 | 12.2 | 7.2 | 8.9 | 33.8 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 240 | 185 | 244 | 90 | 22.4 | 1.7 | -9.1 | -51.4 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 38,725 | 213,516 | 245,628 | 19,586 | -.1 | 534.3 | 22.2 | -90.8 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 76 | 61 | 89 | 24 | 9.3 | 17.1 | -17.8 | -60.7 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 15,245 | 17,184 | 23,135 | 9,906 | 3.0 | 51.8 | -16.3 | -42.4 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for North Dakota are not available.

TABLE 7.—Retail Sales, United States and North Dakota Through Fourth Quarter, 1978

| | United States | | | North Dakota | | | U.S. | State | U.S. | State |
|---------------------------|--|----------------|-------------|--------------|-------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and North Dakota Through Fourth Quarter, 1978

| | United States | | | North Dakota | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------|------------|--------------|------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 195 | 217 | 262 | n.a. | 8.2 | 34.4 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 11 | 5 | 6 | n.a. | -9.5 | -45.5 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 1,128 | 461 | 530 | n.a. | -44.2 | -53.0 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 103 | 92 | 88 | n.a. | -38.4 | -14.6 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 3 | 1 | 0 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 4 | 1 | 0 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 0 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 4 | 2 | 6 | n.a. | -4.2 | 50.0 | --- | --- |
| Commercial services | 238 | n.a. | 0 | 1 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a. Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 11.3%, 1.3 percentage points less than in U.S. —Small increases in most major private industries and in government |
| Consumer prices | —Up 11.1% in Cincinnati and 10.2% in Cleveland vs. 8.9% in U.S. |
| Employment | —Up 5.2% vs. 3.9% in U.S., to 4.8 million |
| Unemployment | —Down 25,000, to 245,000 —Rate down to 4.8% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 29.2% vs. 16.8% in U.S., to \$2.0 billion —Nearly all major construction categories in State strong —Number of dwelling-unit starts up 26.0% vs. little change in U.S., to 16,702 |
| Retail sales | —Up 13.2% vs. 11.2% in U.S., to over \$11.2 billion |

TABLE 1.—Summary of Economic Indicators, United States and Ohio Through Fourth Quarter, 1978

| | United States | | | Ohio | | | U.S. | State | U.S. | State |
|--|--|------------|-----------|-----------|-----------|-----------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 77,379 | 78,950 | 85,033 | 87,860 | 12.4 | 9.9 | 12.6 | 11.3 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 52,487 | 53,160 | 57,431 | 59,297 | 12.1 | 9.4 | 12.6 | 11.5 |
| Civilian employment (thousands) | 92,442 | 96,010 | 4,634 | 4,594 | 4,756 | 4,834 | 4.1 | 2.6 | 3.9 | 5.2 |
| Unemployment (thousands) | 6,149 | 5,605 | 281 | 270 | 267 | 245 | —9.8 | —5.1 | —8.8 | —9.2 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 5.7 | 5.5 | 5.3 | 4.8 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 22,274 | 22,894 | 25,632 | n.a. | 16.3 | 15.1 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 34,214 | 36,264 | 37,535 | n.a. | 11.5 | 9.7 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 2,008,808 | 1,554,052 | 2,302,910 | 2,008,447 | 14.5 | 14.6 | 16.8 | 29.2 |
| Dwelling units started (number) | 445,772 | 443,075 | 23,679 | 14,634 | 21,296 | 16,702 | 1.0 | —10.1 | —6 | 14.1 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 8,881 | 9,929 | 9,881 | 11,236 | 10.3 | 11.3 | 11.2 | 13.2 |
| New business incorporations (number) | 109,411 | n.a. | 3,562 | 3,325 | 3,698 | n.a. | 8.2 | 3.8 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 52 | 26 | 73 | n.a. | —9.5 | 40.4 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Cincinnati | --- | --- | 185.2 | 186.7 | 202.3 | 207.5 | --- | 9.2 | --- | 11.1 |
| Cleveland | --- | --- | 181.1 | 184.4 | 196.0 | 203.3 | --- | 8.2 | --- | 10.2 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.3 percent from 1977:IV to 1978:IV, 1.3 percentage points less than in the Nation (table 2). In 1978:IV, the State's personal income totaled \$87.9 billion, for an increase of \$8.9 billion since 1977:IV. Changes in nearly all major income components were below those registered in corresponding components nationally.

Since the last national business cycle peak (1973:IV), Ohio's economy has increased slowly; the increase in nonfarm income was 10 percent less than nationally, ranking Ohio 41st among all States.

Consumer prices from 1977:IV to 1978:IV increased 11.1 percent in the Cincinnati metropolitan area and 10.2 percent in Cleveland; both of these increases were well above the national increase of 8.9 percent (table 3). If the average price increase in these areas—10.7 percent—is

used as an indicator for price movements in the State, real total personal income in Ohio increased only 0.6 percent from year to year, well below the national average increase of 3.7 percent.

Wage and salary disbursements (payrolls) increased 11.5 percent in the State versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$59.3 billion, for an increase of \$6.1 billion from year to year.

Manufacturing payrolls increased 12.4 percent versus 13.3 percent nationally; weakness extended to both durable and nondurable goods. Durables manufacturing payrolls increased 14.6 percent versus 15.2 percent nationally; this small lag was important inasmuch as durable goods payrolls accounted for 30.3 percent of all of Ohio's payrolls in 1978:IV versus a national weight of 17.8 percent. Nondurable goods payrolls increased 6.4 percent in Ohio versus 10.0 percent in the Nation; among all States, Ohio's increase ranked 42nd.

Private service-type payrolls increased 11.2 percent in Ohio versus 13.1 percent in the Nation. Weakness was particularly pronounced in trade and in services. In contrast, Ohio's payroll increase in transportation-communication-public utilities was 1.1 percentage points more than nationally.

Construction payrolls increased 18.9 percent in Ohio versus 20.1 percent nationally. Similarly, government payrolls increased less in Ohio than nationally, with payroll gains in both Federal Government and State and local government lagging corresponding gains nationally.

With the economic advance continuing in both the State and the Nation, State unemployment insurance benefits declined 42.3 percent in Ohio and 30.3 percent in the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]

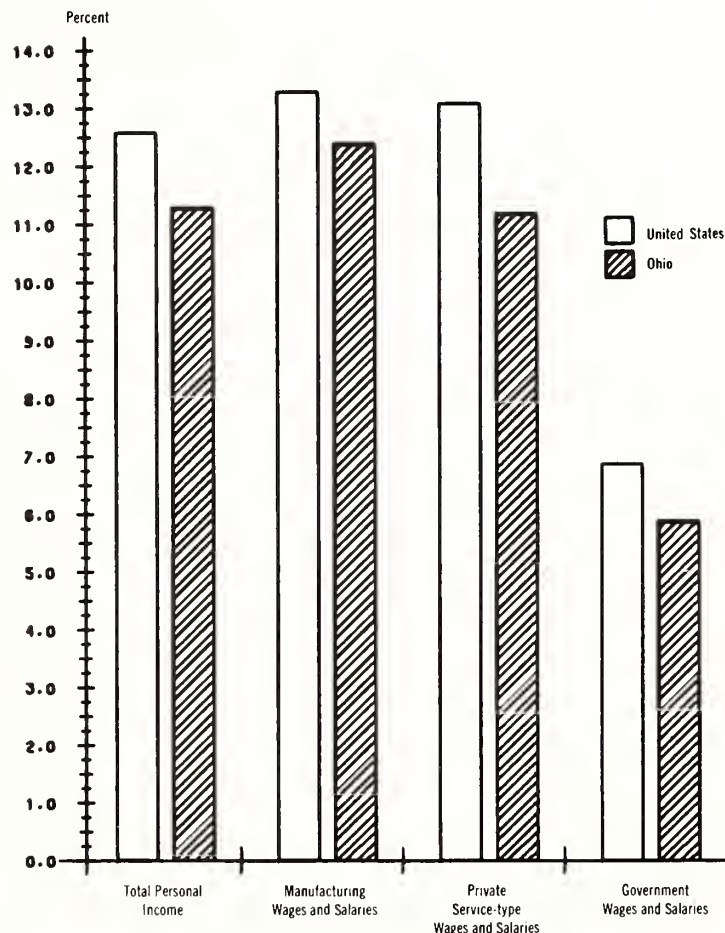


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

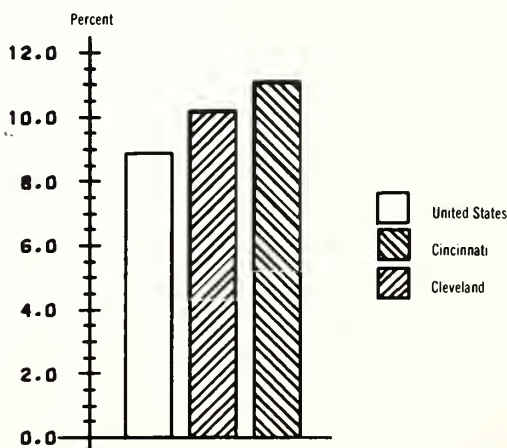


Chart 3.—Total Personal Income
[Seasonally adjusted]

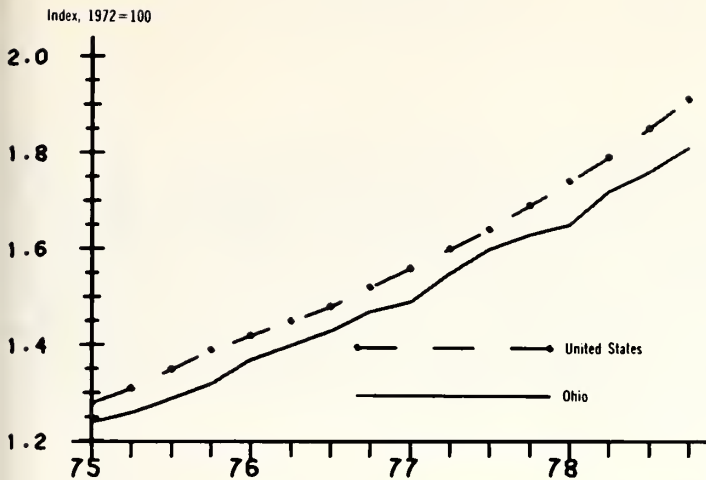


Chart 4.—Industrial Composition of Wages and Salaries: Ohio
[Seasonally adjusted]

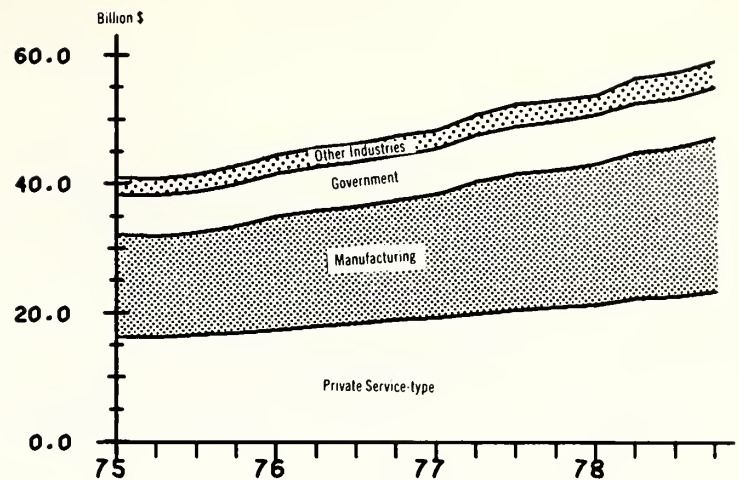


TABLE 2.—Personal Income, United States and Ohio Through Fourth Quarter, 1978

| | United States | | | Ohio | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------|----------|---------|-----------------------|-----------------------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | | Percent change ² | | |
| Total personal income | 1,583,508 | 1,782,519 | 77,379 | 78,950 | 85,033 | 87,860 | 12.4 | 9.9 | 12.6 | 11.3 |
| Farm personal income..... | 31,224 | 39,451 | 602 | 818 | 773 | 1,025 | 47.9 | 28.5 | 26.3 | 25.3 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 76,777 | 78,132 | 84,260 | 86,835 | 11.9 | 9.7 | 12.3 | 11.1 |
| Total personal income | 1,583,508 | 1,782,519 | 77,379 | 78,950 | 85,033 | 87,860 | 12.4 | 9.9 | 12.6 | 11.3 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 52,487 | 53,160 | 57,431 | 59,297 | 12.1 | 9.4 | 12.6 | 11.5 |
| Other labor income | 96,016 | 111,719 | 5,323 | 5,464 | 6,078 | 6,299 | 17.0 | 14.2 | 16.4 | 15.3 |
| Proprietors' income | 105,953 | 125,995 | 4,008 | 4,261 | 4,538 | 4,913 | 21.5 | 13.2 | 18.9 | 15.3 |
| Farm | 23,636 | 31,044 | 421 | 638 | 580 | 822 | 66.6 | 37.8 | 31.3 | 28.9 |
| Nonfarm | 82,317 | 94,951 | 3,588 | 3,623 | 3,958 | 4,091 | 12.8 | 10.3 | 15.3 | 12.9 |
| Dividends, interest, and rent | 214,992 | 242,442 | 9,299 | 9,505 | 10,274 | 10,529 | 12.3 | 10.5 | 12.8 | 10.8 |
| Transfer payments | 215,944 | 233,750 | 9,757 | 10,079 | 10,615 | 10,805 | 8.8 | 8.8 | 8.2 | 7.2 |
| State unemployment insurance benefits | 11,128 | 7,753 | 395 | 555 | 301 | 320 | -24.0 | -23.9 | -30.3 | -42.3 |
| Less: personal contributions | 62,212 | 71,610 | 3,063 | 3,083 | 3,422 | 3,499 | 14.8 | 11.7 | 15.1 | 13.5 |
| Plus: residence adjustment | -401 | -473 | -432 | -437 | -481 | -485 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 52,487 | 53,160 | 57,431 | 59,297 | 12.1 | 9.4 | 12.6 | 11.5 |
| Farm | 7,176 | 7,939 | 177 | 176 | 189 | 198 | 8.5 | 6.8 | 10.6 | 12.5 |
| Nonfarm | 1,006,040 | 1,132,757 | 52,310 | 52,984 | 57,243 | 59,098 | 12.1 | 9.4 | 12.6 | 11.5 |
| Mining | 14,048 | 18,813 | 529 | 489 | 644 | 668 | 26.5 | 21.8 | 33.9 | 36.6 |
| Construction | 55,648 | 66,858 | 2,633 | 2,594 | 3,038 | 3,084 | 19.1 | 15.4 | 20.1 | 18.9 |
| Manufacturing | 276,112 | 312,970 | 21,101 | 21,327 | 23,120 | 23,975 | 12.1 | 9.6 | 13.3 | 12.4 |
| Durable goods | 176,216 | 203,053 | 15,507 | 15,667 | 17,158 | 17,952 | 13.7 | 10.6 | 15.2 | 14.6 |
| Nondurable goods | 99,896 | 109,917 | 5,593 | 5,660 | 5,961 | 6,023 | 9.4 | 6.6 | 10.0 | 6.4 |
| Private service-type | 455,764 | 515,348 | 20,547 | 21,017 | 22,608 | 23,362 | 12.8 | 10.0 | 13.1 | 11.2 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 3,646 | 3,704 | 3,898 | 4,161 | 10.4 | 6.9 | 11.3 | 12.4 |
| Wholesale and retail trade | 170,888 | 195,035 | 8,316 | 8,456 | 9,179 | 9,401 | 13.6 | 10.4 | 14.1 | 11.2 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 1,991 | 2,079 | 2,268 | 2,330 | 14.1 | 13.9 | 13.2 | 12.1 |
| Services | 153,840 | 173,396 | 6,594 | 6,778 | 7,263 | 7,470 | 12.6 | 10.2 | 12.7 | 10.2 |
| Government | 201,252 | 215,083 | 7,415 | 7,467 | 7,732 | 7,908 | 7.4 | 4.3 | 6.9 | 5.9 |
| Federal | 68,176 | 73,003 | 1,801 | 1,874 | 1,909 | 1,984 | 7.3 | 6.0 | 7.1 | 5.9 |
| State and local | 133,076 | 142,080 | 5,614 | 5,594 | 5,822 | 5,924 | 7.5 | 3.7 | 6.8 | 5.9 |
| Other | 3,216 | 3,685 | 86 | 89 | 101 | 100 | 18.7 | 18.3 | 14.6 | 13.0 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Ohio Through Fourth Quarter, 1978¹

| | United States | | | Ohio | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Cincinnati..... | --- | --- | 185.2 | 186.7 | 202.3 | 207.5 | --- | 9.2 | --- | 11.1 |
| Cleveland..... | --- | --- | 181.1 | 184.4 | 196.0 | 203.3 | --- | 8.2 | --- | 10.2 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the **civilian labor force** in Ohio increased 4.4 percent, 1.3 percentage points more than in the Nation (table 4). Ohio's increase ranked 13th nationally. **Total employment** in the State increased 5.2 percent, 1.3 percentage points more than in the Nation, to 4.8 million. Only 10 States registered larger increases. Ohio's increase was the largest in the Great Lakes region.

With the labor force increasing 215,000 and employment increasing 240,000, **unemployment** declined 25,000, to 245,000. In 1978:IV, the **unemployment rate** in Ohio was 4.8 percent versus 5.5 percent in the Nation. Ohio's rate was the lowest in the Great Lakes region. Unemployment rates in both the State and Nation declined 0.7 percentage point from 1977:IV to 1978:IV.

In December 1978, the preliminary unemployment rate in Ohio was 4.8 percent. Rates among major metropolitan areas in the State ranged from 3.9 percent in Dayton and 4.1 percent in both Cleveland and Columbus to 6.0 percent in Youngstown-Warren. In Cincinnati, the preliminary unemployment rate was 4.8 percent, up 0.4 percentage point since December 1977. Toledo was the only other major metropolitan area in the State that registered a year-to-year increase in the unemployment rate—0.1 percentage point—to 5.5 percent. Other major areas registered declines in unemployment rates of up to 0.5 percentage point.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Ohio

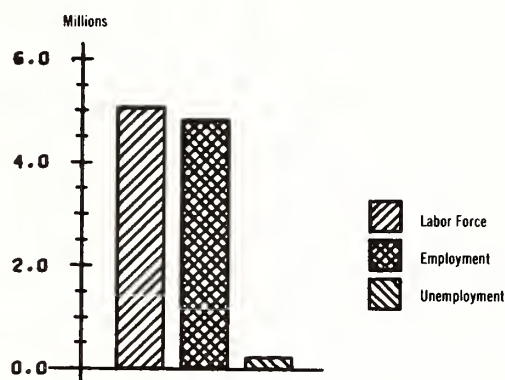


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

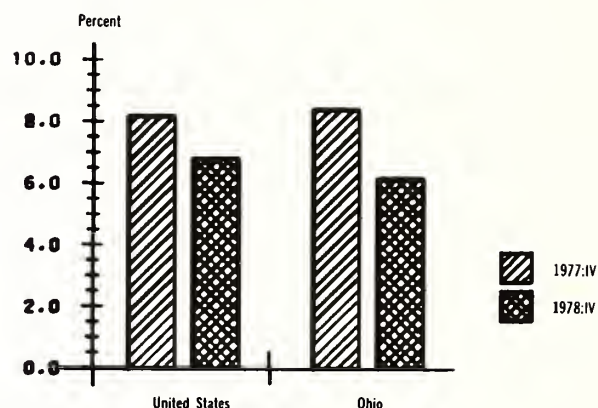


TABLE 4.—Labor Force, United States and Ohio Through Fourth Quarter, 1978

| | United States | | | Ohio | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 4,261 | 4,298 | 4,353 | 4,422 | 4.3 | 2.2 | 4.2 | 2.9 |
| Mining | 787 | 899 | 31 | 26 | 31 | 31 | 8.2 | 2.0 | 14.2 | 18.7 |
| Construction | 4,032 | 4,488 | 180 | 171 | 193 | 183 | 10.4 | 7.2 | 11.3 | 7.2 |
| Manufacturing | 19,986 | 20,722 | 1,356 | 1,362 | 1,370 | 1,386 | 3.1 | 1.0 | 3.7 | 1.8 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 220 | 223 | 223 | 231 | 3.8 | 1.3 | 4.4 | 3.7 |
| Wholesale and retail trade | 19,152 | 20,015 | 930 | 946 | 959 | 975 | 5.3 | 3.1 | 4.5 | 3.1 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 188 | 186 | 194 | 193 | 4.8 | 3.5 | -2.0 | 4.1 |
| Services | 15,539 | 16,215 | 743 | 736 | 772 | 767 | 4.6 | 4.0 | 4.4 | 4.2 |
| Government | 15,434 | 15,656 | 614 | 649 | 611 | 654 | 2.1 | -6 | 1.4 | .8 |
| Civilian labor force ³ | 98,591 | 101,615 | 4,916 | 4,864 | 5,023 | 5,079 | 3.2 | 2.2 | 3.1 | 4.4 |
| Total employed | 92,442 | 96,010 | 4,634 | 4,594 | 4,756 | 4,834 | 4.1 | 2.6 | 3.9 | 5.2 |
| Total unemployed | 6,149 | 5,605 | 281 | 270 | 267 | 245 | -9.8 | -5.1 | -8.8 | -9.2 |
| Percent unemployed | 6.2 | 5.5 | 5.7 | 5.5 | 5.3 | 4.8 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

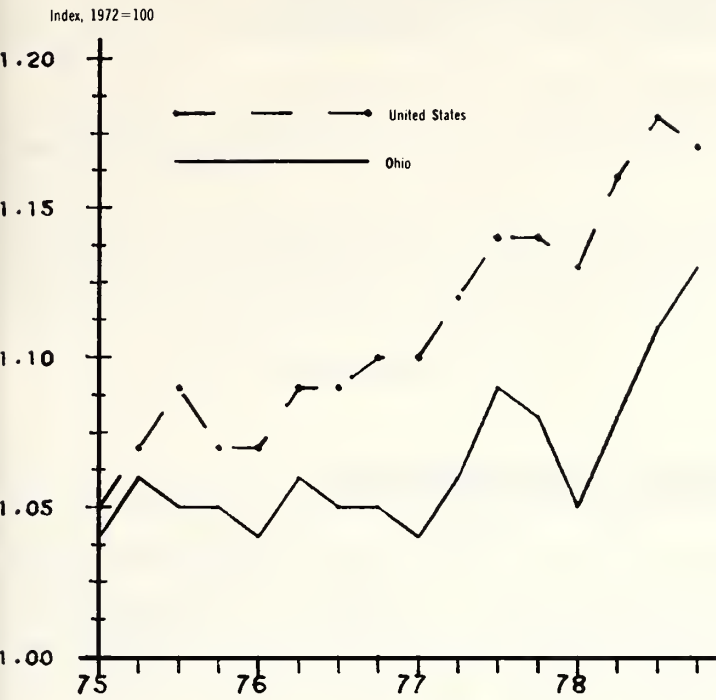


Chart 8.—Civilian Employment

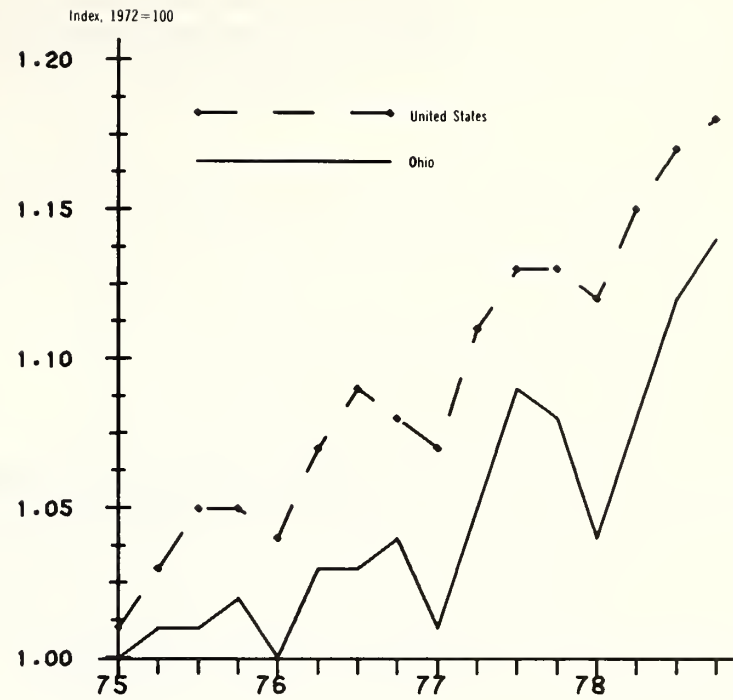


Chart 9.—Unemployment Rate

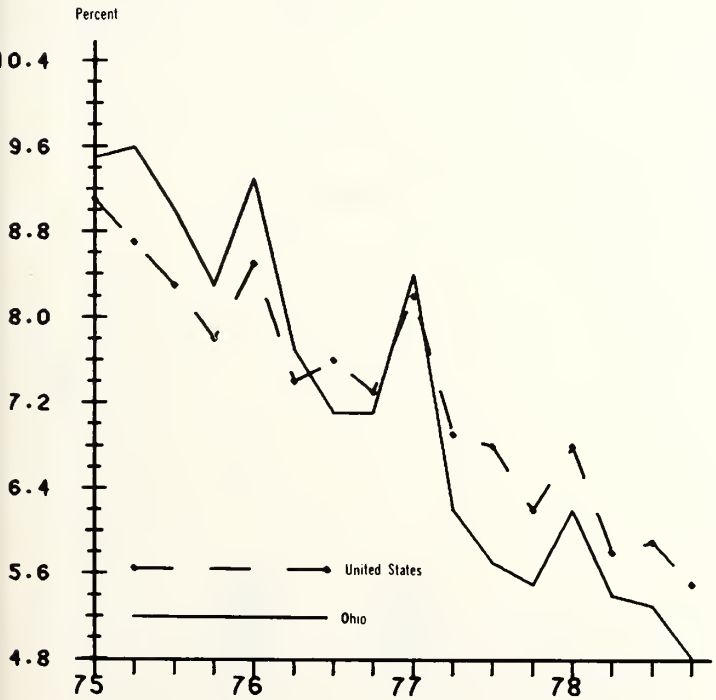
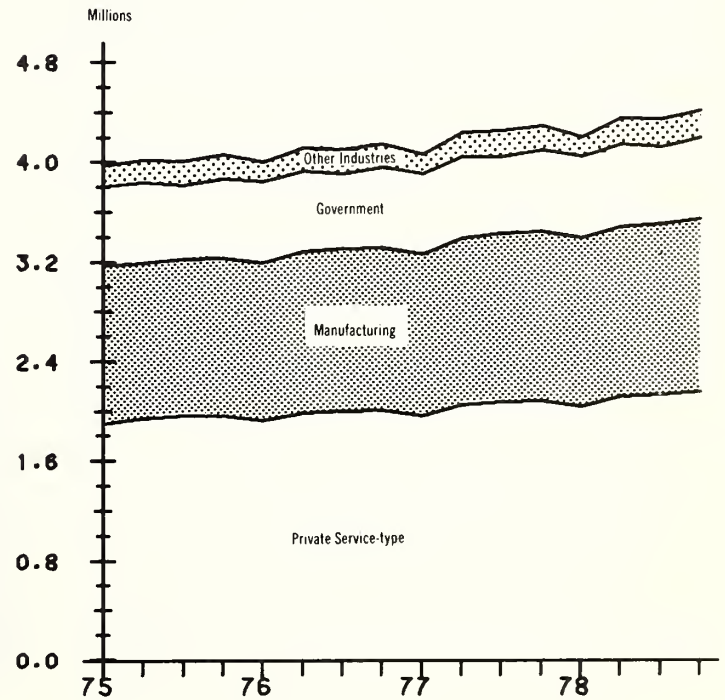


Chart 10.—Industrial Composition of Nonagricultural Employment: Ohio



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Ohio Through Fourth Quarter, 1978

| | United States | | | Ohio | | | U.S. | State | U.S. | State |
|------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 22,274 | 22,894 | 25,632 | n.a. | 16.3 | 15.1 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 5,756 | 5,897 | 6,609 | n.a. | 14.2 | 14.8 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 6,989 | 7,267 | 8,196 | n.a. | 20.2 | 17.3 | --- | --- |
| Real estate | 177,935 | n.a. | 7,849 | 8,119 | 8,959 | n.a. | 19.9 | 14.2 | --- | --- |
| Residential | 101,236 | n.a. | 4,883 | 5,055 | 5,643 | n.a. | 21.3 | 15.5 | --- | --- |
| Farms | 7,731 | n.a. | 423 | 431 | 451 | n.a. | 10.7 | 6.7 | --- | --- |
| Other | 68,968 | n.a. | 2,542 | 2,633 | 2,865 | n.a. | 19.0 | 12.7 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 426 | 408 | 455 | n.a. | 6.8 | 6.9 | --- | --- |
| Other | 69,947 | n.a. | 1,255 | 1,204 | 1,412 | n.a. | 8.0 | 12.5 | --- | --- |
| Total deposits | 925,511 | n.a. | 34,214 | 36,264 | 37,535 | n.a. | 11.5 | 9.7 | --- | --- |
| Demand | 377,683 | n.a. | 11,549 | 13,125 | 12,576 | n.a. | 10.2 | 8.9 | --- | --- |
| Time and savings | 547,828 | n.a. | 22,665 | 23,139 | 24,959 | n.a. | 12.3 | 10.1 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 29.2 percent in Ohio, 12.4 percentage points more than nationally (table 6). Only eight States had increases that were larger than Ohio's. In 1978:IV, contracts in the State totaled \$2.0 billion, for an increase over the year of \$454 million. Nearly all major construction categories in the State registered increases that exceeded corresponding national increases.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Ohio, the real valuation of construction contracts in Ohio increased about 16 percent versus about 4 percent in the Nation.

The valuation of nonbuilding contracts increased 48.8 percent versus 22.2 percent in the Nation. Only 11 States had larger increases. Partly accounting for Ohio's large increase was an increase of 31.5 percent in the valuation of street and highway contracts. In the Nation, the valuation of street and highway contracts declined 16.3 percent.

The valuation of nonresidential contracts increased 39.9 percent (\$175 million) versus a 15.8-percent increase in the Nation. The dollar increase in the valuation of nonresidential contracts accounted for nearly two-fifths of the dollar increase in the valuation of all contracts in the State.

The valuation of residential housekeeping contracts increased 26.0 percent in the State versus 15.6 percent in the Nation. Only thirteen States had larger increases. The number of dwelling units started increased 14.1 percent (2,068 units), to 16,702 units. In contrast, in the Nation, the number of dwelling units started was virtually unchanged at a high level.

The only major construction category with an increase that was smaller than the corresponding national increase was additions and alterations to residential housekeeping units. The valuation of these contracts increased 8.4 percent in the State, lagging the national average increase by 6.2 percentage points.

Chart 14.—Construction Contracts—Total Valuation

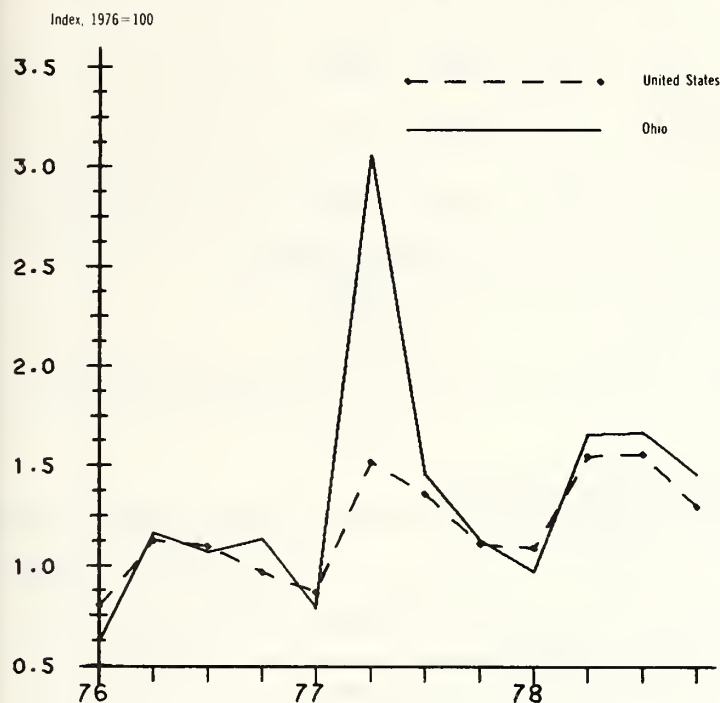


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Ohio

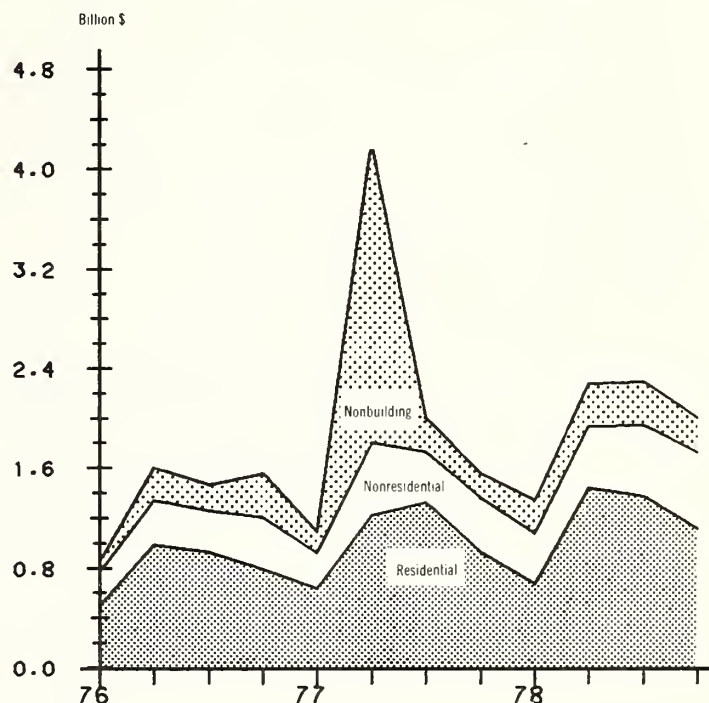


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

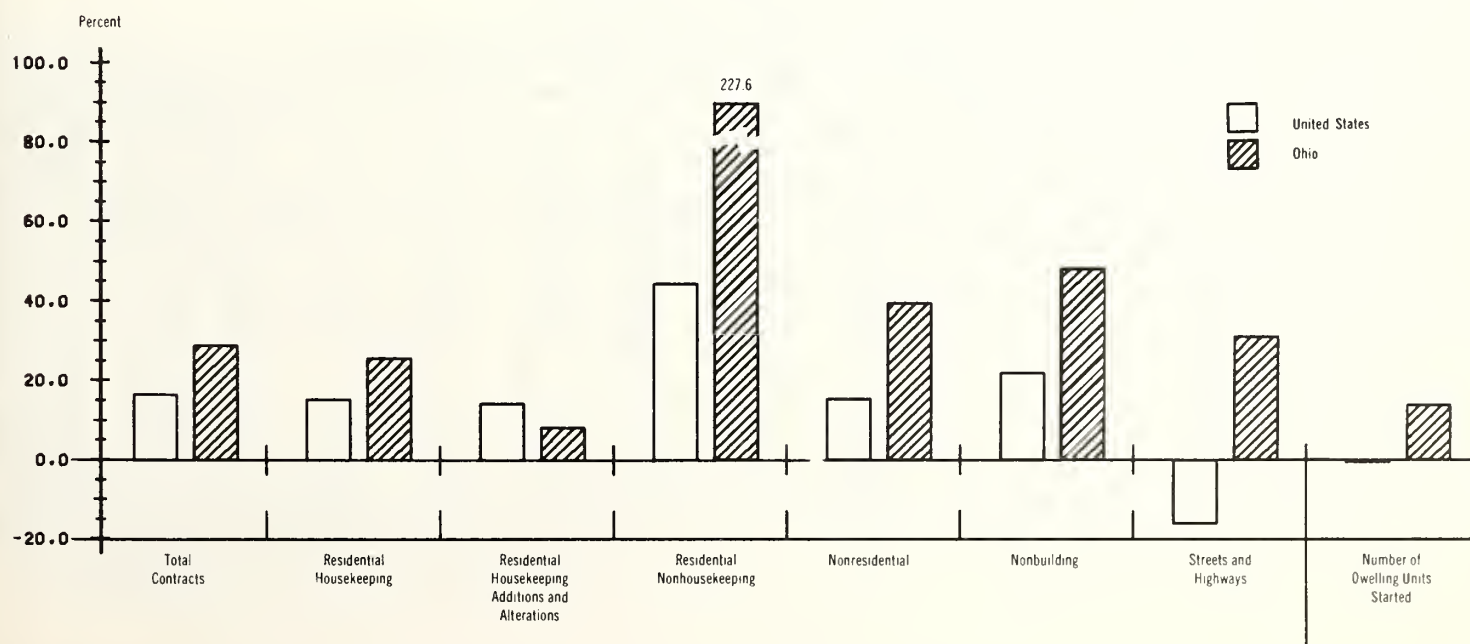


TABLE 6.—Construction Contracts, United States and Ohio Through Fourth Quarter, 1978¹

| | United States | | | Ohio | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|-----------|-----------|-----------|-----------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 2,008,808 | 1,554,052 | 2,302,910 | 2,008,447 | 14.5 | 14.6 | 16.8 | 29.2 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 508,474 | 389,802 | 511,867 | 422,485 | 16.8 | .7 | 14.6 | 8.4 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 4,089 | 3,325 | 4,057 | 3,040 | 4.4 | —8 | —9.3 | —8.6 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 1,500,334 | 1,164,250 | 1,791,043 | 1,585,962 | 14.0 | 19.4 | 17.4 | 36.2 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 45,560 | 34,012 | 49,202 | 39,837 | 10.8 | 8.0 | 10.2 | 17.1 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 637 | 523 | 557 | 542 | —5.1 | —12.6 | —4.3 | 3.6 |
| Number of dwelling units | 445,772 | 443,075 | 23,679 | 14,634 | 21,296 | 16,702 | 1.0 | —10.1 | —6 | 14.1 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 815,070 | 528,378 | 851,565 | 666,011 | 15.3 | 4.5 | 15.6 | 26.0 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 30,227 | 19,701 | 30,505 | 23,660 | 10.3 | .9 | 10.7 | 20.1 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 28 | 21 | 20 | 21 | —10.0 | —28.6 | —4 | .0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 9,077 | 7,070 | 16,833 | 23,160 | 9.4 | 85.4 | 44.8 | 227.6 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 284 | 193 | 466 | 318 | —7 | 64.1 | 24.7 | 64.5 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 2,141 | 1,908 | 1,893 | 1,658 | —2.5 | —11.6 | —12.0 | —13.1 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 403,102 | 437,055 | 570,213 | 611,538 | 27.6 | 41.5 | 15.8 | 39.9 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 15,050 | 14,117 | 18,231 | 15,860 | 12.2 | 21.1 | 8.9 | 12.3 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 1,283 | 873 | 1,587 | 819 | 22.4 | 23.7 | —9.1 | —6.2 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 273,085 | 191,747 | 352,432 | 285,253 | —1 | 29.1 | 22.2 | 48.8 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 636 | 246 | 725 | 237 | 9.3 | 14.0 | —17.8 | —3.7 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 98,388 | 65,231 | 123,204 | 85,774 | 3.0 | 25.2 | —16.3 | 31.5 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NDTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Ohio totaled over \$11.2 billion in 1978:IV, up 13.2 percent (\$1.3 billion) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for almost \$8.0 billion, and durable goods accounted for almost \$3.3 billion.

TABLE 7.—Retail Sales, United States and Ohio Through Fourth Quarter, 1978

| | United States | | | Ohio | | | U.S. | State | U.S. | State |
|------------------|--|---------|----------|---------|----------|---------|-----------------------|----------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Millions of dollars, not seasonally adjusted | | | | | | | Percent change | | |
| Retail sales | 197,030 | 219,020 | 8,881 | 9,929 | 9,881 | 11,236 | 10.3 | 11.3 | 11.2 | 13.2 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 3,098 | 3,254 | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | 6,783 | 7,982 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Ohio Through Fourth Quarter, 1978

| | United States | | | Ohio | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 3,562 | 3,325 | 3,698 | n.a. | 8.2 | 3.8 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 52 | 26 | 73 | n.a. | -9.5 | 40.4 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 9,769 | 3,229 | 9,629 | n.a. | -44.2 | -1.4 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 188 | 124 | 132 | n.a. | -38.4 | -29.8 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 6 | 3 | 8 | n.a. | -10.1 | 33.3 | --- | --- |
| Construction | 319 | n.a. | 7 | 4 | 20 | n.a. | 1.0 | 185.7 | --- | --- |
| Wholesale trade | 191 | n.a. | 6 | 2 | 4 | n.a. | -27.1 | -33.3 | --- | --- |
| Retail trade | 688 | n.a. | 26 | 12 | 31 | n.a. | -4.2 | 19.2 | --- | --- |
| Commercial services | 238 | n.a. | 7 | 5 | 10 | n.a. | -24.0 | 42.9 | --- | --- |

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NDTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 14.1% vs. 12.6% in U.S., to \$21.2 billion —Mining payrolls up 32.3% vs. 33.9% in U.S. |
| Consumer prices | —Up 9.2% in Dallas vs. 8.9% in U.S. |
| Employment | —Up 1.8% vs. 3.9% in U.S., to 1.2 million |
| Unemployment | —Down 15,000, to 38,000 —Rate down 1.3 percentage points, to 3.0% of labor force vs. 5.5% in U.S. |
| Construction | —Total valuation of contracts up 26.9% vs. 16.8% in U.S., to \$719 million —Valuation of nonresidential contracts doubled vs. 15.8% gain in U.S., due to hospital contract in Tulsa County —Number of dwelling-unit starts up 18.2% vs. near stability in U.S., to 7,595 |

TABLE 1.—Summary of Economic Indicators, United States and Oklahoma Through Fourth Quarter, 1978

| | United States | | | Oklahoma | | | U.S. | State | U.S. | State |
|--|--|------------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 17,825 | 18,584 | 20,448 | 21,196 | 12.4 | 14.7 | 12.6 | 14.1 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 10,696 | 11,090 | 12,466 | 12,762 | 12.1 | 16.5 | 12.6 | 15.1 |
| Civilian employment (thousands) | 92,442 | 96,010 | 1,175 | 1,186 | 1,214 | 1,207 | 4.1 | 3.3 | 3.9 | 1.8 |
| Unemployment (thousands) | 6,149 | 5,605 | 62 | 53 | 42 | 38 | -9.8 | -31.5 | -8.8 | -28.7 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 5.0 | 4.3 | 3.4 | 3.0 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 7,435 | 7,893 | 8,825 | n.a. | 16.3 | 18.7 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 12,009 | 13,144 | 13,603 | n.a. | 11.5 | 13.3 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 725,673 | 566,852 | 759,228 | 719,298 | 14.5 | 4.6 | 16.8 | 26.9 |
| Dwelling units started (number) | 445,772 | 443,075 | 7,274 | 6,427 | 7,630 | 7,595 | 1.0 | 4.9 | -6 | 18.2 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 901 | 806 | 1,434 | n.a. | 8.2 | 59.2 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 36 | 54 | 40 | n.a. | -9.5 | 11.1 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Dallas | --- | --- | 182.4 | 183.8 | 197.3 | 200.7 | --- | 8.2 | --- | 9.2 |
| Houston | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

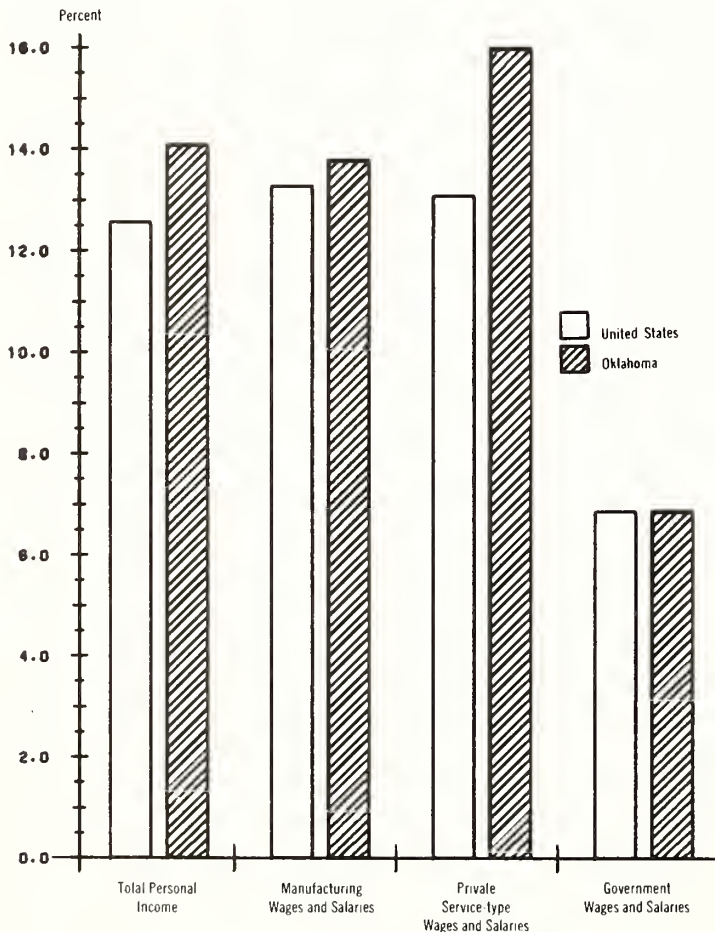
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Oklahoma increased 14.1 percent from 1977:IV to 1978:IV, leading the Nation's gain by 1.5 percentage points (table 2). In 1978:IV, Oklahoma's personal income totaled \$21.2 billion, up \$2.6 billion since 1977:IV. During this timespan, **consumer prices** in the Dallas metropolitan area increased 9.2 percent versus 8.9 percent nationally (table 3). If this increase is used as an indicator for price increases throughout the State, real total personal income in Oklahoma increased 4.9 percent from year to year versus 3.7 percent nationally.

Since the last national business cycle peak in 1973:IV, Oklahoma's economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 22 percent more than nationally, ranking Oklahoma 11th among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 15.1 percent from 1977:IV to 1978:IV, the eighth largest State gain in the Nation. Most major private service-type industries registered gains that exceeded those of national counterparts. Trade payrolls increased 18.6 percent, leading the Nation's increase by 4.5 percentage points, to \$2.3 billion. Services payrolls increased 16.0 percent, compared with 12.7 percent nationally. Transportation-communication-public utilities payrolls increased 12.2 percent, marginally leading the Nation's 11.3-percent average increase.

Durables manufacturing payrolls increased 15.6 percent, and nondurables payrolls increased 10.5 percent; both increases led those of national counterparts by about 0.5 percentage point. Construction payrolls increased 21.9 percent, somewhat more than the Nation's 20.1-percent gain. State and local government payrolls increased 8.5 percent from year to year, compared with 6.8 percent nationally, to \$1.5 billion in 1978:IV.

Mining payrolls increased 32.3 percent, the largest gain registered in any major industry in Oklahoma; the State's gain marginally lagged the Nation's 33.9-percent average gain. Federal Government payrolls in Oklahoma increased 4.9 percent, to \$1.2 billion. The gain was the smallest payroll gain among major industries in the State and was one of the smallest Federal Government payroll gains in the Nation.

With Oklahoma's economy expanding at a faster rate than the Nation's, State unemployment insurance benefits were 47.8 percent lower in 1978:IV than in 1977:IV, compared with a 30.3-percent decline nationally.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

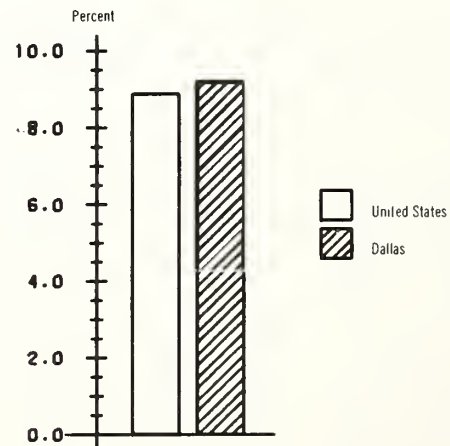


Chart 3.—Total Personal Income
[Seasonally adjusted]

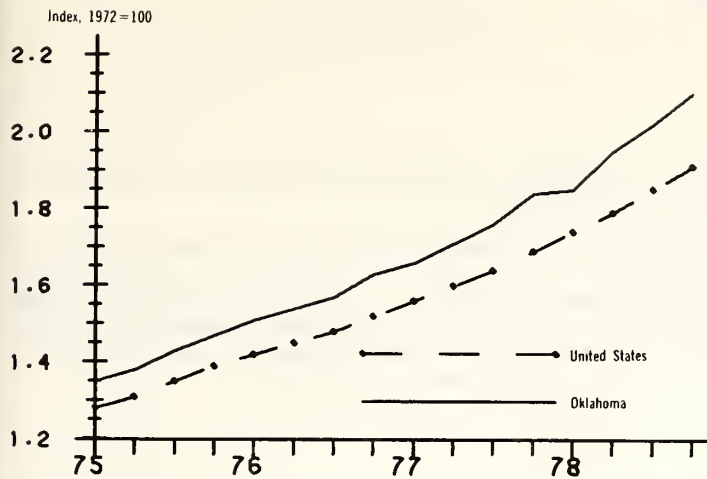


Chart 4.—Industrial Composition of Wages and Salaries: Oklahoma
[Seasonally adjusted]

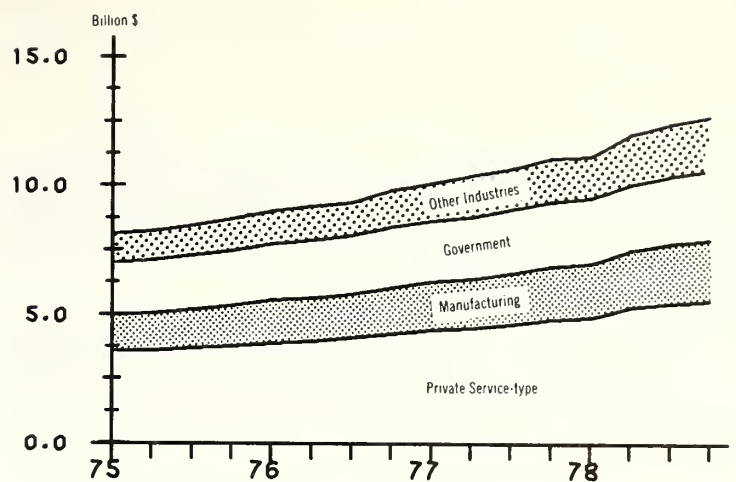


TABLE 2.—Personal Income, United States and Oklahoma Through Fourth Quarter, 1978

| | United States | | | Oklahoma | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|----------|----------|---------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 17,825 | 18,584 | 20,448 | 21,196 | 12.4 | 14.7 | 12.6 | 14.1 |
| Farm personal income | 31,224 | 39,451 | 222 | 413 | 261 | 499 | 47.9 | 17.2 | 26.3 | 21.0 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 17,603 | 18,172 | 20,187 | 20,697 | 11.9 | 14.7 | 12.3 | 13.9 |
| Total personal income | 1,583,508 | 1,782,519 | 17,825 | 18,584 | 20,448 | 21,196 | 12.4 | 14.7 | 12.6 | 14.1 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 10,696 | 11,090 | 12,466 | 12,762 | 12.1 | 16.5 | 12.6 | 15.1 |
| Other labor income | 96,016 | 111,719 | 1,007 | 1,061 | 1,233 | 1,261 | 17.0 | 22.4 | 16.4 | 18.9 |
| Proprietors' income | 105,953 | 125,995 | 1,250 | 1,468 | 1,464 | 1,758 | 21.5 | 17.2 | 18.9 | 19.8 |
| Farm | 23,636 | 31,044 | 96 | 281 | 119 | 350 | 66.6 | 23.6 | 31.3 | 24.6 |
| Nonfarm | 82,317 | 94,951 | 1,154 | 1,187 | 1,346 | 1,409 | 12.8 | 16.6 | 15.3 | 18.7 |
| Dividends, interest, and rent | 214,992 | 242,442 | 2,745 | 2,819 | 3,058 | 3,142 | 12.3 | 11.4 | 12.8 | 11.5 |
| Transfer payments | 215,944 | 233,750 | 2,662 | 2,704 | 2,895 | 2,945 | 8.8 | 8.7 | 8.2 | 8.9 |
| State unemployment insurance benefits | 11,128 | 7,753 | 63 | 56 | 26 | 29 | -24.0 | -57.9 | -30.3 | -47.8 |
| Less: personal contributions | 62,212 | 71,610 | 673 | 694 | 814 | 823 | 14.8 | 21.0 | 15.1 | 18.6 |
| Plus: residence adjustment | -401 | -473 | 138 | 137 | 145 | 150 | — | — | — | — |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 10,696 | 11,090 | 12,466 | 12,762 | 12.1 | 16.5 | 12.6 | 15.1 |
| Farm | 7,176 | 7,939 | 124 | 129 | 139 | 146 | 8.5 | 12.1 | 10.6 | 13.2 |
| Nonfarm | 1,006,040 | 1,132,757 | 10,573 | 10,961 | 12,328 | 12,616 | 12.1 | 16.6 | 12.6 | 15.1 |
| Mining | 14,048 | 18,813 | 850 | 878 | 1,126 | 1,162 | 26.5 | 32.5 | 33.9 | 32.3 |
| Construction | 55,648 | 66,858 | 601 | 634 | 764 | 772 | 19.1 | 27.1 | 20.1 | 21.9 |
| Manufacturing | 276,112 | 312,970 | 1,973 | 2,076 | 2,307 | 2,362 | 12.1 | 16.9 | 13.3 | 13.8 |
| Durable goods | 176,216 | 203,053 | 1,254 | 1,331 | 1,514 | 1,539 | 13.7 | 20.7 | 15.2 | 15.6 |
| Nondurable goods | 99,896 | 109,917 | 719 | 745 | 793 | 823 | 9.4 | 10.3 | 10.0 | 10.5 |
| Private service-type | 455,764 | 515,348 | 4,661 | 4,822 | 5,477 | 5,593 | 12.8 | 17.5 | 13.1 | 16.0 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 898 | 942 | 1,034 | 1,057 | 10.4 | 15.1 | 11.3 | 12.2 |
| Wholesale and retail trade | 170,888 | 195,035 | 1,896 | 1,965 | 2,268 | 2,330 | 13.6 | 19.6 | 14.1 | 18.6 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 500 | 526 | 584 | 595 | 14.1 | 16.8 | 13.2 | 13.0 |
| Services | 153,840 | 173,396 | 1,368 | 1,389 | 1,591 | 1,611 | 12.6 | 16.3 | 12.7 | 16.0 |
| Government | 201,252 | 215,083 | 2,460 | 2,524 | 2,623 | 2,697 | 7.4 | 6.6 | 6.9 | 6.9 |
| Federal | 68,176 | 73,003 | 1,104 | 1,152 | 1,154 | 1,209 | 7.3 | 4.5 | 7.1 | 4.9 |
| State and local | 133,076 | 142,080 | 1,356 | 1,373 | 1,469 | 1,489 | 7.5 | 8.3 | 6.8 | 8.5 |
| Other | 3,216 | 3,685 | 27 | 28 | 31 | 31 | 18.7 | 15.5 | 14.6 | 11.3 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Oklahoma Through Fourth Quarter, 1978¹

| | United States | | | Oklahoma | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|----------|----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Index, 1967=100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Dallas | --- | --- | 182.4 | 183.8 | 197.3 | 200.7 | --- | 8.2 | --- | 9.2 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Oklahoma's **civilian labor force** increased 0.5 percent, well below the Nation's 3.1-percent advance (table 4). **Total employment** increased 1.8 percent, to just over 1.2 million. Oklahoma's advance was exceeded in 42 States and was 2.1 percentage points below the national average advance.

With employment increasing by 21,000 and the labor force increasing by only 6,000, the number of **unemployed** declined by 15,000. The **unemployment rate** declined 1.3 percentage points, to 3.0 percent of the labor force, compared with 5.5 percent nationally. Only Nebraska,

Kansas, and South Dakota had lower unemployment rates than Oklahoma in 1978:IV.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, unemployment rates in the major metropolitan areas of Oklahoma City (Oklahoma County) and Tulsa (Tulsa County) were 2.7 and 2.9 percent, respectively, versus a preliminary State rate of 3.2 percent. The unemployment rate outside of Oklahoma and Tulsa Counties was 3.6 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV:
Oklahoma

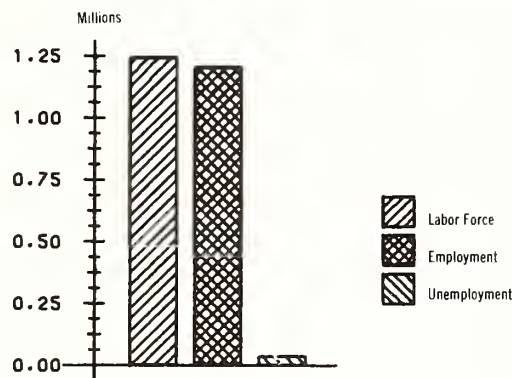


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

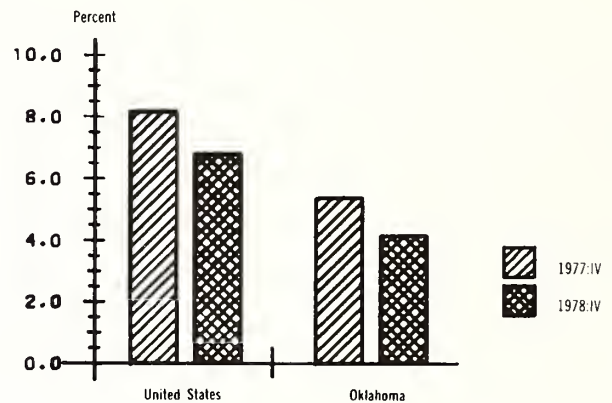


TABLE 4.—Labor Force, United States and Oklahoma Through Fourth Quarter, 1978

| | United States | | | Oklahoma | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 982 | 999 | 1,035 | 1,044 | 4.3 | 5.4 | 4.2 | 4.6 |
| Mining | 787 | 899 | 50 | 50 | 55 | 55 | 8.2 | 8.7 | 14.2 | 8.7 |
| Construction | 4,032 | 4,488 | 53 | 51 | 59 | 56 | 10.4 | 12.4 | 11.3 | 9.6 |
| Manufacturing | 19,986 | 20,722 | 164 | 166 | 170 | 172 | 3.1 | 3.6 | 3.7 | 3.9 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 60 | 60 | 62 | 61 | 3.8 | 2.3 | 4.4 | 2.9 |
| Wholesale and retail trade | 19,152 | 20,015 | 234 | 239 | 245 | 248 | 5.3 | 4.4 | 4.5 | 4.1 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 50 | 50 | 52 | 52 | 4.8 | 4.2 | -2.0 | 3.8 |
| Services | 15,539 | 16,215 | 161 | 163 | 175 | 174 | 4.6 | 8.6 | 4.4 | 6.6 |
| Government | 15,434 | 15,656 | 209 | 220 | 217 | 226 | 2.1 | 4.0 | 1.4 | 2.8 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,237 | 1,239 | 1,257 | 1,245 | 3.2 | 1.6 | 3.1 | .5 |
| Total employed | 92,442 | 96,010 | 1,175 | 1,186 | 1,214 | 1,207 | 4.1 | 3.3 | 3.9 | 1.8 |
| Total unemployed | 6,149 | 5,605 | 62 | 53 | 42 | 38 | -9.8 | -31.5 | -8.8 | -28.7 |
| Percent unemployed | 6.2 | 5.5 | 5.0 | 4.3 | 3.4 | 3.0 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

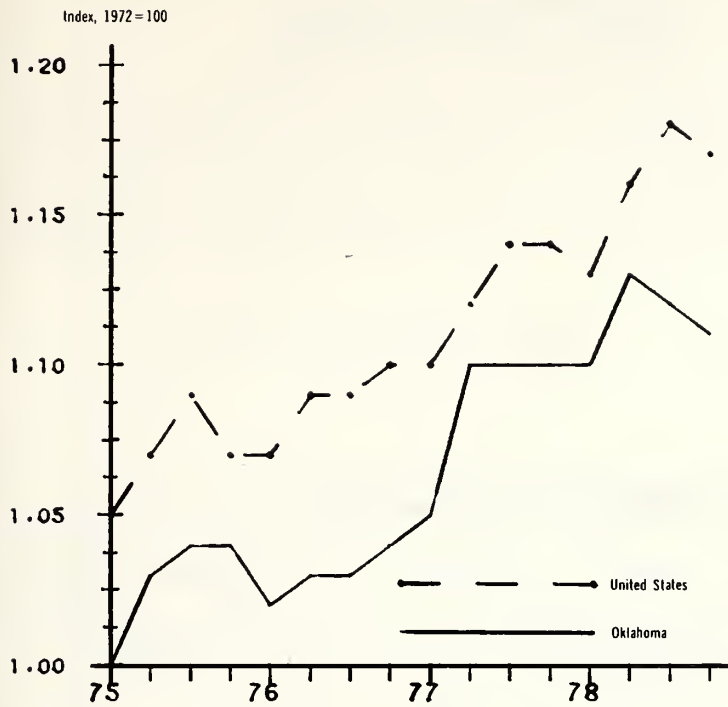


Chart 8.—Civilian Employment

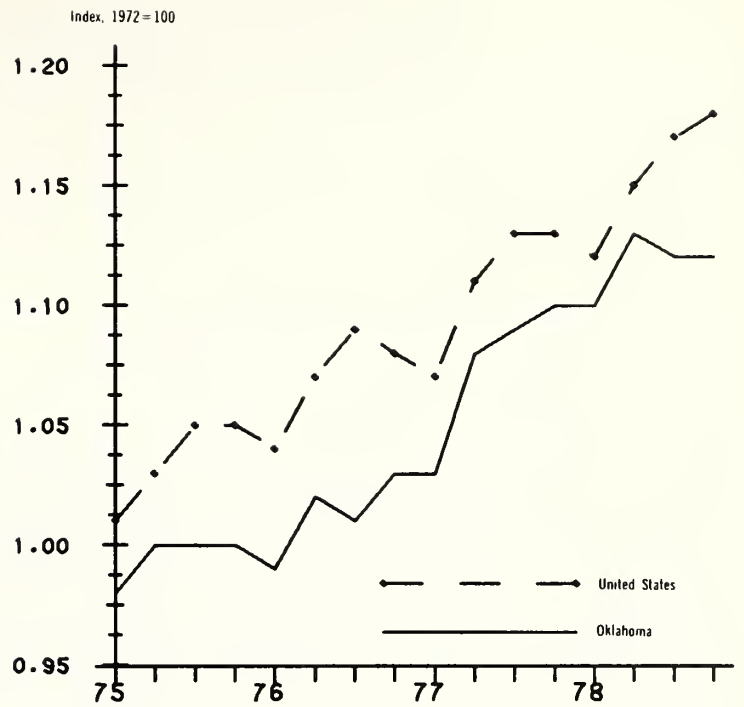


Chart 9.—Unemployment Rate

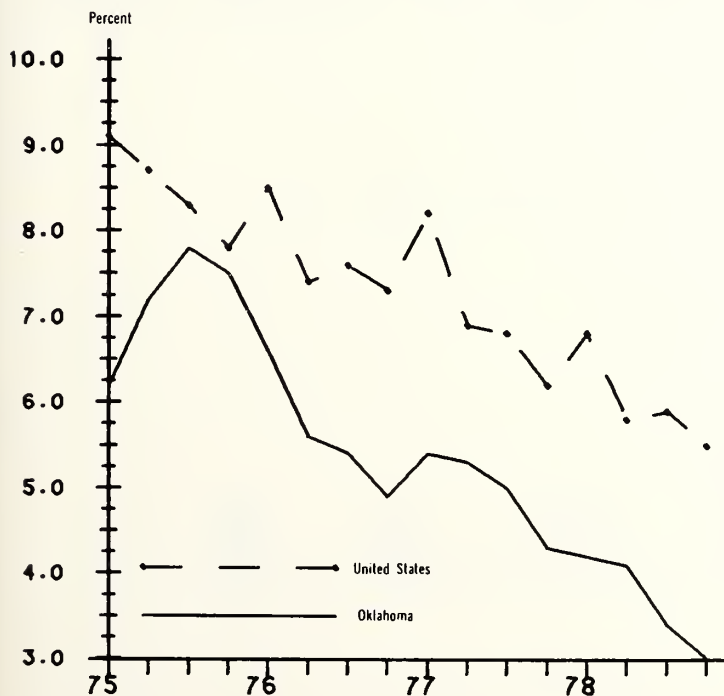
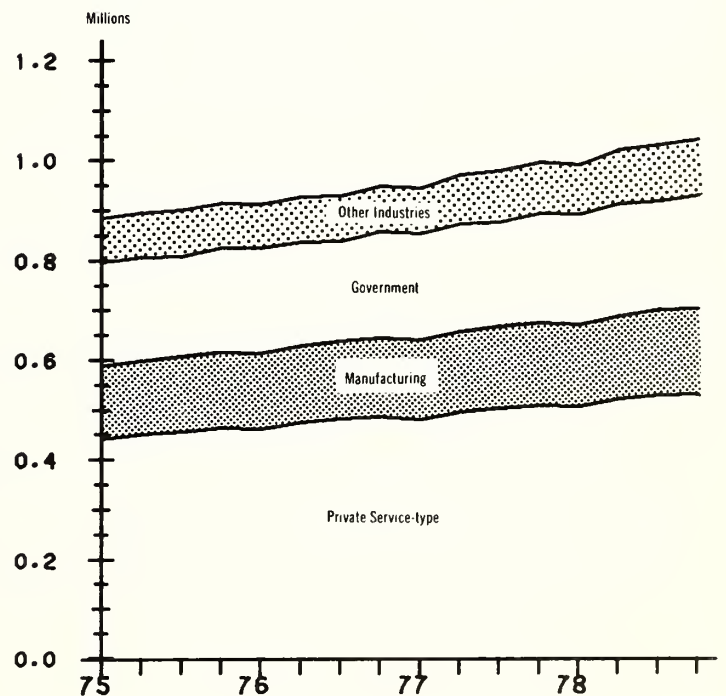


Chart 10.—Industrial Composition of Nonagricultural Employment: Oklahoma



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Oklahoma Through Fourth Quarter, 1978

| | United States | | | | | | Oklahoma | | | U.S. | State | U.S. | State | |
|------------------------------------|---|------|--------|---------|--------|------|-----------------------------|------|-----|----------------------|-------|------|---------------------|--|
| | 1977:IV | | | 1978:IV | | | 1977:III | | | 1977:IV— 1978:III | | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | | | | | |
| | | | | | | | | | | | | | | |
| Total loans | 610,502 | n.a. | 7,435 | 7,893 | 8,825 | n.a. | 16.3 | 18.7 | --- | --- | | | | |
| Commercial and industrial | 196,317 | n.a. | 2,349 | 2,524 | 2,782 | n.a. | 14.2 | 18.4 | --- | --- | | | | |
| Loans to individuals | 140,599 | n.a. | 1,870 | 1,981 | 2,312 | n.a. | 20.2 | 23.6 | --- | --- | | | | |
| Real estate | 177,935 | n.a. | 1,683 | 1,792 | 2,172 | n.a. | 19.9 | 29.1 | --- | --- | | | | |
| Residential | 101,236 | n.a. | 670 | 724 | 892 | n.a. | 21.3 | 33.1 | --- | --- | | | | |
| Farms | 7,731 | n.a. | 210 | 213 | 232 | n.a. | 10.7 | 10.3 | --- | --- | | | | |
| Other | 68,968 | n.a. | 803 | 855 | 1,049 | n.a. | 19.0 | 30.6 | --- | --- | | | | |
| Farms, excluding real estate | 25,704 | n.a. | 909 | 979 | 971 | n.a. | 6.8 | 6.8 | --- | --- | | | | |
| Other | 69,947 | n.a. | 625 | 618 | 589 | n.a. | 8.0 | -5.7 | --- | --- | | | | |
| Total deposits | 925,511 | n.a. | 12,009 | 13,144 | 13,603 | n.a. | 11.5 | 13.3 | --- | --- | | | | |
| Demand | 377,683 | n.a. | 4,543 | 5,356 | 5,148 | n.a. | 10.2 | 13.3 | --- | --- | | | | |
| Time and savings | 547,828 | n.a. | 7,466 | 7,788 | 8,454 | n.a. | 12.3 | 13.2 | --- | --- | | | | |

1 Detail may not add to totals because of rounding.

2 Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in Oklahoma rose 26.9 percent from 1977:IV to 1978:IV, exceeding the Nation's gain by 10 percentage points, to \$719 million (table 6). National construction costs rose about 13 percent during the same timespan; if this rise reflects the advance throughout Oklahoma, the real valuation of contracts rose about 14 percent in the State versus a national rise of about 4 percent.

The valuation of nonresidential contracts in the State doubled from 1977:IV to 1978:IV. Oklahoma's gain far exceeded the Nation's 15.8-percent average gain and ranked second only to the gain in Louisiana. In 1978:IV, the valuation of nonresidential contracts totaled \$205 million, including a \$42 million contract for a hospital in Tulsa County.

The valuation of residential housekeeping contracts rose by one-fifth, exceeding the Nation's gain of 15.6 percent, to \$315 million. The

number of dwelling units started rose 18.2 percent, or almost 1,200 units, to 7,600. The State's gain ranked among the largest in the Nation. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level. The valuation of contracts for additions and alterations to residential housekeeping units rose 29.9 percent, twice the national average, to \$121 million.

The only major construction market in the State that registered a decline in the valuation of contracts was nonbuilding. The valuation of these contracts declined 37.3 percent, one of the largest declines among all States and in sharp contrast to the Nation's 22.2-percent average gain. The valuation of street and highway contracts declined by almost one-half versus a 16.3-percent decline nationally. The large decline contributed substantially to the weakness in the State's nonbuilding market.

Chart 14.—Construction Contracts—Total Valuation

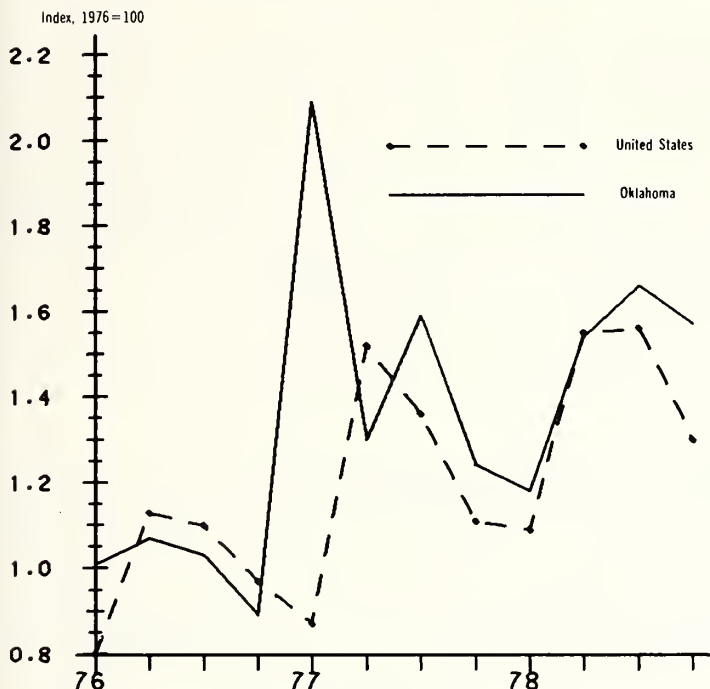


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Oklahoma

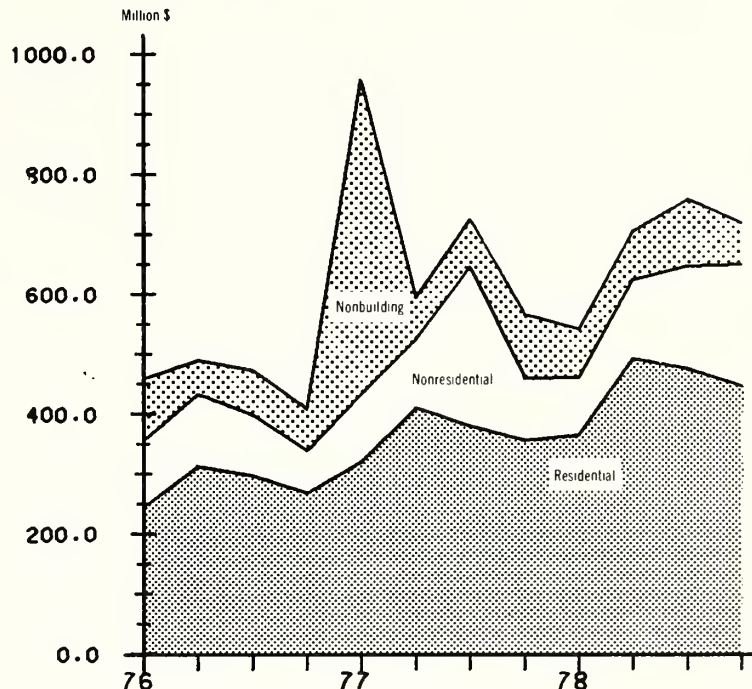


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

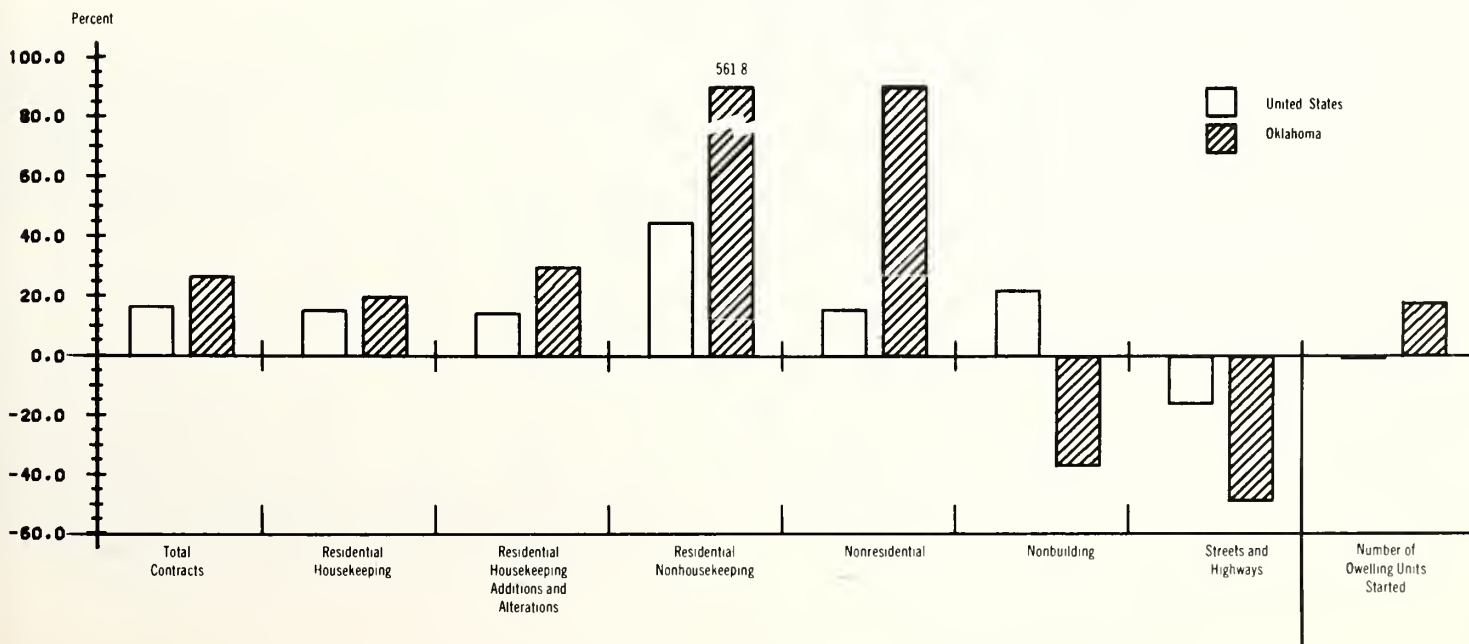


TABLE 6.—Construction Contracts, United States and Oklahoma Through Fourth Quarter, 1978¹

| | United States | | | Oklahoma | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|----------|----------|---------|-----------------------------|---------------------|-------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 725,673 | 566,852 | 759,228 | 719,298 | 14.5 | 4.6 | 16.8 | 26.9 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 110,655 | 92,913 | 130,223 | 120,678 | 16.8 | 17.7 | 14.6 | 29.9 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 956 | 963 | 984 | 972 | 4.4 | 2.9 | -9.3 | .9 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 615,018 | 473,939 | 629,005 | 598,620 | 14.0 | 2.3 | 17.4 | 26.3 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 18,740 | 14,478 | 18,079 | 18,403 | 10.8 | -3.5 | 10.2 | 27.1 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 263 | 257 | 261 | 281 | -5.1 | -8 | -4.3 | 9.3 |
| Number of dwelling units | 445,772 | 443,075 | 7,274 | 6,427 | 7,630 | 7,595 | 1.0 | 4.9 | -6 | 18.2 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 266,451 | 262,294 | 340,675 | 315,129 | 15.3 | 27.9 | 15.6 | 20.1 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 11,194 | 10,864 | 13,723 | 12,722 | 10.3 | 22.6 | 10.7 | 17.1 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 7 | 4 | 5 | 10 | -10.0 | -28.6 | -4 | 150.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 3,097 | 1,671 | 5,500 | 11,058 | 9.4 | 77.6 | 44.8 | 561.8 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 93 | 27 | 152 | 277 | -7 | 64.6 | 24.7 | 918.4 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 356 | 379 | 315 | 382 | -2.5 | -11.5 | -12.0 | .8 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 266,041 | 103,024 | 171,400 | 205,379 | 27.6 | -35.6 | 15.8 | 99.4 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 7,453 | 3,587 | 4,203 | 5,404 | 12.2 | -43.6 | 8.9 | 50.6 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 330 | 323 | 403 | 299 | 22.4 | 22.1 | -9.1 | -7.4 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 79,429 | 106,950 | 111,430 | 67,054 | -1 | 40.3 | 22.2 | -37.3 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 77 | 86 | 156 | 75 | 9.3 | 102.6 | -17.8 | -12.8 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 24,496 | 49,204 | 56,035 | 25,024 | 3.0 | 128.8 | -16.3 | -49.1 |

1 Contracts started or expected to start within 60 days.

2 Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Oklahoma are not available.

TABLE 7.—Retail Sales, United States and Oklahoma Through Fourth Quarter, 1978

| | United States | | | Oklahoma | | | U.S. | State | U.S. | State |
|------------------|--|---------|----------|----------|----------|---------|-----------------------|----------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Millions of dollars, not seasonally adjusted | | | | | | | Percent change | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Oklahoma Through Fourth Quarter, 1978

| | United States | | | Oklahoma | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 901 | 806 | 1,434 | n.a. | 8.2 | 59.2 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 36 | 54 | 40 | n.a. | -9.5 | 11.1 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 15,152 | 5,947 | 29,970 | n.a. | -44.2 | 97.8 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 421 | 110 | 749 | n.a. | -38.4 | 77.9 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 5 | 6 | 10 | n.a. | -10.1 | 100.0 | --- | --- |
| Construction | 319 | n.a. | 7 | 9 | 5 | n.a. | 1.0 | -28.6 | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 9 | 8 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 20 | 25 | 11 | n.a. | -4.2 | -45.0 | --- | --- |
| Commercial services | 238 | n.a. | 4 | 5 | 6 | n.a. | -24.0 | 50.0 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 14.8% vs. 12.6% in U.S., to \$20.1 billion —Government payrolls up 8.9% vs. 6.9% in U.S. —Nondurables manufacturing payrolls down 0.4% due to paper workers' strike |
| Consumer prices | —Portland index up to 207.8 in 1978:IV (1967=100) |
| Employment | —Up 6.9% vs. 3.9% in U.S., to 1.1 million |
| Unemployment | —Up 1,000, to 74,000 —Rate down 0.3 percentage point, to 6.1% of labor force vs. 5.5% in U.S. |
| Construction | —Total valuation of contracts up 25.0% vs. 16.8% in U.S., to \$599 million —Valuation of nonresidential contracts up 92.8% vs. 15.8% in U.S., to \$150 million —Number of dwelling-unit starts down 11.4% vs. near stability in U.S., to 7,299 |

TABLE 1.—Summary of Economic Indicators, United States and Oregon Through Fourth Quarter, 1978

| | United States | | | Oregon | | | U.S. | State | U.S. | State |
|--|--|------------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 16,715 | 17,544 | 19,316 | 20,136 | 12.4 | 15.6 | 12.6 | 14.8 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 10,705 | 11,342 | 12,408 | 12,962 | 12.1 | 15.9 | 12.6 | 14.3 |
| Civilian employment (thousands)..... | 92,442 | 96,010 | 1,073 | 1,067 | 1,130 | 1,141 | 4.1 | 5.3 | 3.9 | 6.9 |
| Unemployment (thousands) | 6,149 | 5,605 | 74 | 73 | 64 | 74 | -9.8 | -13.3 | -8.8 | 2.2 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 6.4 | 6.4 | 5.4 | 6.1 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 5,043 | 5,441 | 6,186 | n.a. | 16.3 | 22.7 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 7,282 | 7,766 | 8,272 | n.a. | 11.5 | 13.6 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 824,274 | 479,460 | 774,864 | 599,495 | 14.5 | -6.0 | 16.8 | 25.0 |
| Dwelling units started (number) | 445,772 | 443,075 | 10,138 | 8,234 | 8,659 | 7,299 | 1.0 | -14.6 | -6 | -11.4 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 1,406 | 1,508 | 1,709 | n.a. | 8.2 | 21.6 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 53 | 37 | 38 | n.a. | -9.5 | -28.3 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Portland | --- | --- | --- | --- | 202.2 | 207.8 | --- | --- | --- | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Oregon increased 14.8 percent from 1977:IV to 1978:IV, leading the Nation's increase by over 2 percentage points (table 2). In 1978:IV, Oregon's personal income totaled \$20.1 billion, up \$2.6 billion since 1977:IV. The **Consumer Price Index** for the Portland metropolitan area (which includes Clark County, Washington) increased to 207.8 in 1978:IV (1967=100), from 202.2 in 1978:III (table 3).

Since the last national business cycle peak in 1973:IV, Oregon's economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 23 percent more than nationally, ranking Oregon ninth among all States.

Wage and salary disbursements (payrolls) increased 14.3 percent in Oregon from 1977:IV to 1978:IV, to \$13.0 billion. Payrolls in all but two major industries increased faster in the State than in the Nation. Construction payrolls increased 28.5 percent, one of the largest gains in the Nation and over 8 percentage points above the national gain. Federal Government payrolls increased 10.6 percent, compared with 7.1 percent nationally, to \$561 million. State and local government payrolls increased 8.4 percent versus 6.8 percent nationally; the level reached \$1.8 billion in 1978:IV, when it accounted for more than 14 percent of all payrolls in the State. Trade payrolls increased 16.3 percent, over 2 percentage points above the Nation's gain, to \$2.5 billion. Transportation-communication-public utilities payrolls increased 11.8 percent, marginally above the national average increase. Durables manufacturing payrolls increased 18.8 percent versus 15.2 percent nationally, to \$2.9 billion. Services payrolls registered a 12.2-percent increase, 0.5 percentage point below the Nation's gain.

Reflecting the adverse effects of a lumber and paper mill strike that lasted all of 1978:IV, payrolls in nondurables manufacturing declined 0.4 percent from year to year. The decline was larger only in Washington, a State also affected by the strike.

With Oregon's overall economy expanding, State unemployment insurance benefits declined 9.1 percent, compared with a national decline of 30.3 percent, to \$100 million.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]

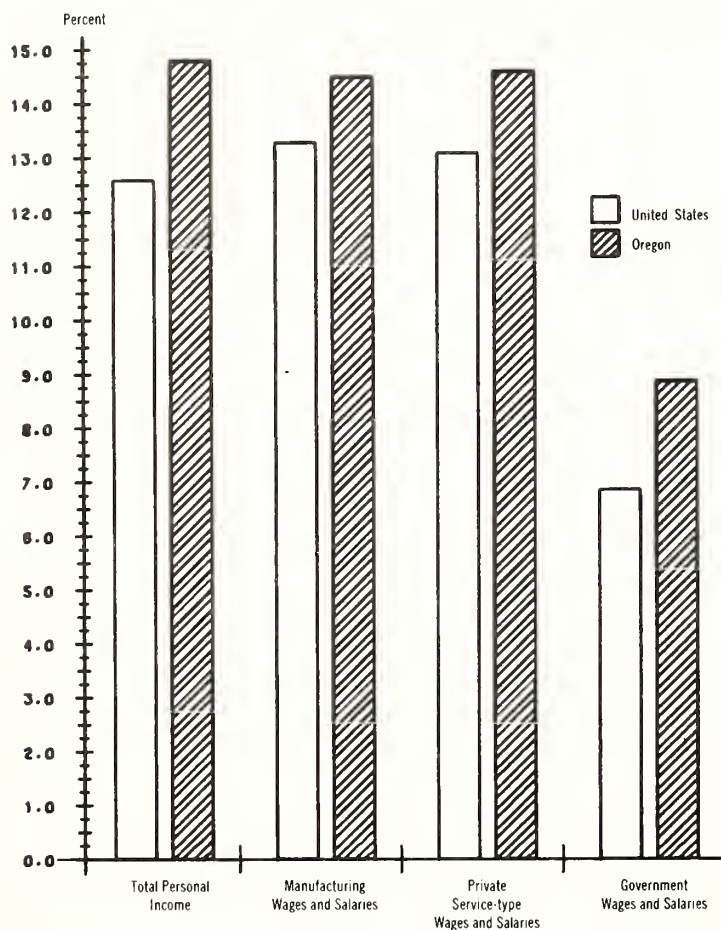


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

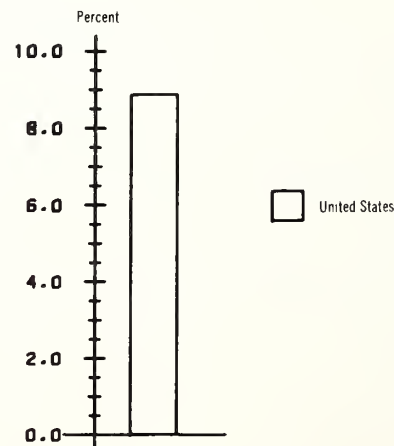


Chart 3.—Total Personal Income
[Seasonally adjusted]

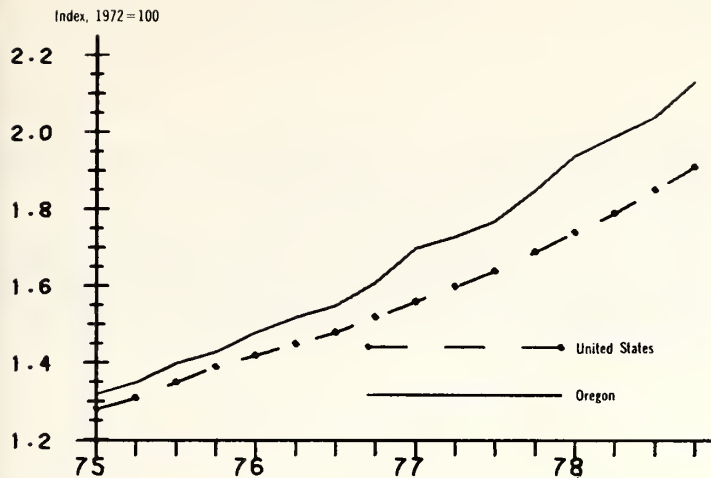


Chart 4.—Industrial Composition of Wages and Salaries: Oregon
[Seasonally adjusted]

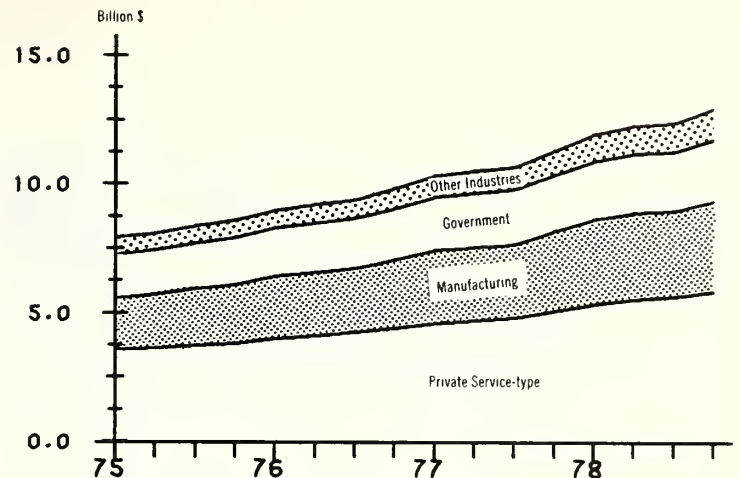


TABLE 2.—Personal Income, United States and Oregon Through Fourth Quarter, 1978

| | United States | | | Oregon | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 16,715 | 17,544 | 19,316 | 20,136 | 12.4 | 15.6 | 12.6 | 14.8 |
| Farm personal income | 31,224 | 39,451 | 295 | 381 | 543 | 618 | 47.9 | 84.2 | 26.3 | 62.0 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 16,420 | 17,163 | 18,773 | 19,518 | 11.9 | 14.3 | 12.3 | 13.7 |
| Total personal income | 1,583,508 | 1,782,519 | 16,715 | 17,544 | 19,316 | 20,136 | 12.4 | 15.6 | 12.6 | 14.8 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 10,705 | 11,342 | 12,408 | 12,962 | 12.1 | 15.9 | 12.6 | 14.3 |
| Other labor income | 96,016 | 111,719 | 923 | 1,001 | 1,123 | 1,175 | 17.0 | 21.6 | 16.4 | 17.4 |
| Proprietors' income | 105,953 | 125,995 | 1,228 | 1,332 | 1,610 | 1,738 | 21.5 | 31.1 | 18.9 | 30.5 |
| Farm | 23,636 | 31,044 | 91 | 165 | 312 | 376 | 66.6 | 244.9 | 31.3 | 128.7 |
| Nonfarm | 82,317 | 94,951 | 1,138 | 1,168 | 1,297 | 1,362 | 12.8 | 14.0 | 15.3 | 16.6 |
| Dividends, interest, and rent | 214,992 | 242,442 | 2,311 | 2,364 | 2,598 | 2,674 | 12.3 | 12.4 | 12.8 | 13.1 |
| Transfer payments | 215,944 | 233,750 | 2,454 | 2,470 | 2,660 | 2,711 | 8.8 | 8.4 | 8.2 | 9.8 |
| State unemployment insurance benefits | 11,128 | 7,753 | 144 | 110 | 95 | 100 | -24.0 | -34.0 | -30.3 | -9.1 |
| Less: personal contributions | 62,212 | 71,610 | 746 | 789 | 890 | 920 | 14.8 | 19.4 | 15.1 | 16.7 |
| Plus: residence adjustment | -401 | -473 | -160 | -176 | -193 | -204 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 10,705 | 11,342 | 12,408 | 12,962 | 12.1 | 15.9 | 12.6 | 14.3 |
| Farm | 7,176 | 7,939 | 188 | 200 | 212 | 222 | 8.5 | 12.7 | 10.6 | 11.1 |
| Nonfarm | 1,006,040 | 1,132,757 | 10,516 | 11,142 | 12,196 | 12,739 | 12.1 | 16.0 | 12.6 | 14.3 |
| Mining | 14,048 | 18,813 | 28 | 30 | 37 | 41 | 26.5 | 34.3 | 33.9 | 38.0 |
| Construction | 55,648 | 66,858 | 622 | 665 | 795 | 854 | 19.1 | 27.9 | 20.1 | 28.5 |
| Manufacturing | 276,112 | 312,970 | 2,833 | 3,088 | 3,357 | 3,537 | 12.1 | 18.5 | 13.3 | 14.5 |
| Durable goods | 176,216 | 203,053 | 2,177 | 2,403 | 2,689 | 2,854 | 13.7 | 23.5 | 15.2 | 18.8 |
| Nondurable goods | 99,896 | 109,917 | 656 | 685 | 668 | 683 | 9.4 | 1.8 | 10.0 | -4 |
| Private service-type | 455,764 | 515,348 | 4,854 | 5,111 | 5,650 | 5,856 | 12.8 | 16.4 | 13.1 | 14.6 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 837 | 895 | 954 | 1,001 | 10.4 | 13.9 | 11.3 | 11.8 |
| Wholesale and retail trade | 170,888 | 195,035 | 2,089 | 2,168 | 2,435 | 2,521 | 13.6 | 16.6 | 14.1 | 16.3 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 513 | 556 | 633 | 661 | 14.1 | 23.5 | 13.2 | 18.9 |
| Services | 153,840 | 173,396 | 1,415 | 1,491 | 1,628 | 1,673 | 12.6 | 15.0 | 12.7 | 12.2 |
| Government | 201,252 | 215,083 | 2,129 | 2,196 | 2,297 | 2,391 | 7.4 | 7.8 | 6.9 | 8.9 |
| Federal | 68,176 | 73,003 | 493 | 507 | 531 | 561 | 7.3 | 7.6 | 7.1 | 10.6 |
| State and local | 133,076 | 142,080 | 1,636 | 1,690 | 1,766 | 1,831 | 7.5 | 7.9 | 6.8 | 8.4 |
| Other | 3,216 | 3,685 | 50 | 52 | 60 | 60 | 18.7 | 19.8 | 14.6 | 15.7 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Oregon Through Fourth Quarter, 1978¹

| | United States | | | Oregon | | | U.S. | State | U.S. | State |
|--------------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Portland | --- | --- | --- | --- | 202.2 | 207.8 | --- | --- | --- | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Oregon's civilian labor force increased 6.6 percent, more than twice the national advance; only two States registered larger advances (table 4). **Total employment** increased just over 1.1 million, for a 6.9-percent advance. Oregon's employment advance also ranked third among all States and was 3 percentage points above the national average advance.

With employment increasing by 74,000 and the labor force increasing by 75,000, the number of **unemployed** increased by 1,000. The

unemployment rate declined 0.3 percentage point, to 6.1 percent of the labor force. Nationally, the unemployment rate declined from 6.2 percent in 1977:IV to 5.5 percent in 1978:IV.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, unemployment rates in the major metropolitan areas ranged from 5.3 percent in Portland to 7.4 percent in Eugene-Springfield.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Oregon

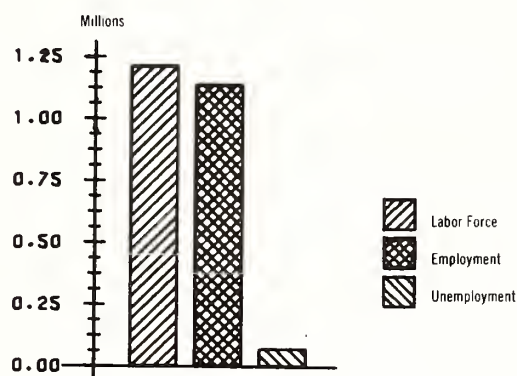


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

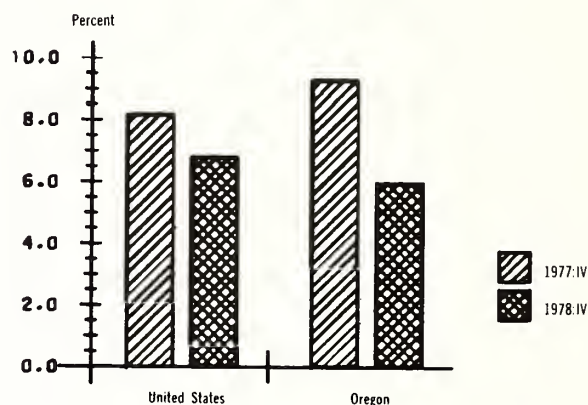


TABLE 4.—Labor Force, United States and Oregon Through Fourth Quarter, 1978

| | United States | | | Oregon | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 944 | 962 | 997 | 1,024 | 4.3 | 5.7 | 4.2 | 6.5 |
| Mining | 787 | 899 | 2 | 2 | 2 | 2 | 8.2 | 10.5 | 14.2 | 11.1 |
| Construction | 4,032 | 4,488 | 45 | 44 | 52 | 53 | 10.4 | 16.2 | 11.3 | 19.1 |
| Manufacturing | 19,986 | 20,722 | 215 | 212 | 227 | 221 | 3.1 | 5.3 | 3.7 | 4.4 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 55 | 55 | 58 | 59 | 3.8 | 5.7 | 4.4 | 6.9 |
| Wholesale and retail trade | 19,152 | 20,015 | 228 | 234 | 239 | 251 | 5.3 | 4.9 | 4.5 | 7.3 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 59 | 59 | 63 | 65 | 4.8 | 7.0 | -2.0 | 10.0 |
| Services | 15,539 | 16,215 | 164 | 166 | 174 | 175 | 4.6 | 5.7 | 4.4 | 5.6 |
| Government | 15,434 | 15,656 | 175 | 191 | 182 | 200 | 2.1 | 3.9 | 1.4 | 4.4 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,147 | 1,139 | 1,195 | 1,215 | 3.2 | 4.1 | 3.1 | 6.6 |
| Total employed | 92,442 | 96,010 | 1,073 | 1,067 | 1,130 | 1,141 | 4.1 | 5.3 | 3.9 | 6.9 |
| Total unemployed | 6,149 | 5,605 | 74 | 73 | 64 | 74 | -9.8 | -13.3 | -8.8 | 2.2 |
| Percent unemployed | 6.2 | 5.5 | 6.4 | 6.4 | 5.4 | 6.1 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

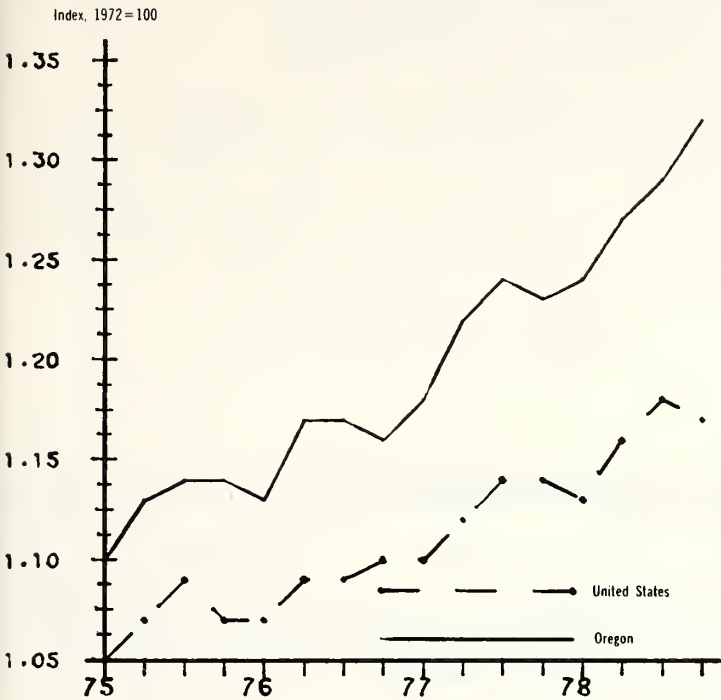


Chart 8.—Civilian Employment

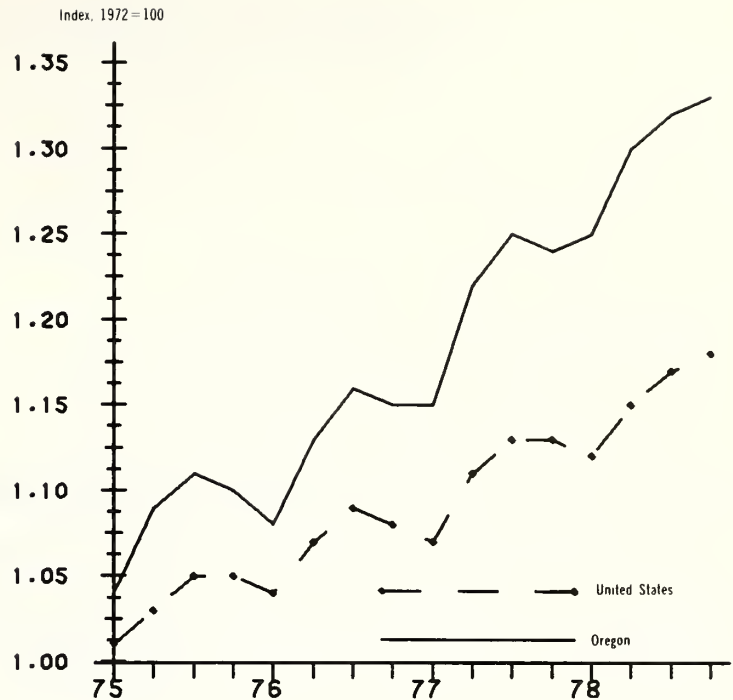


Chart 9.—Unemployment Rate

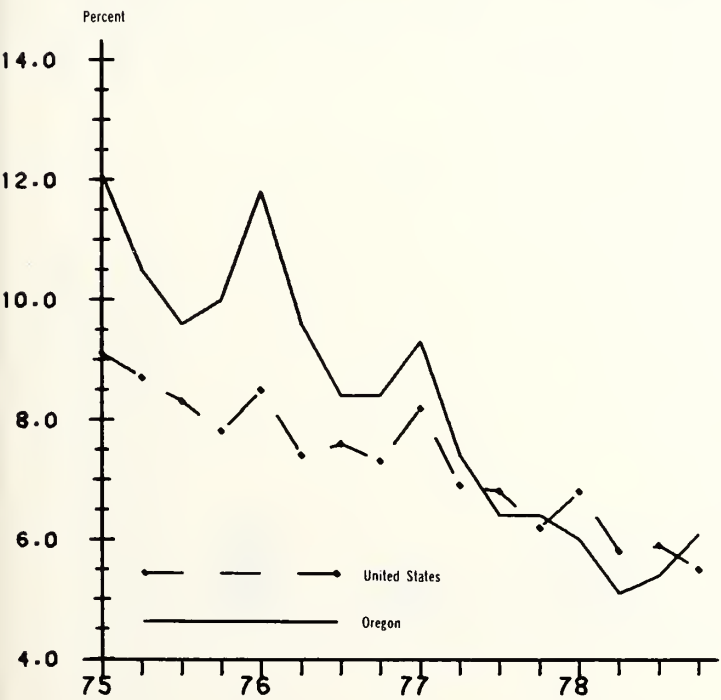
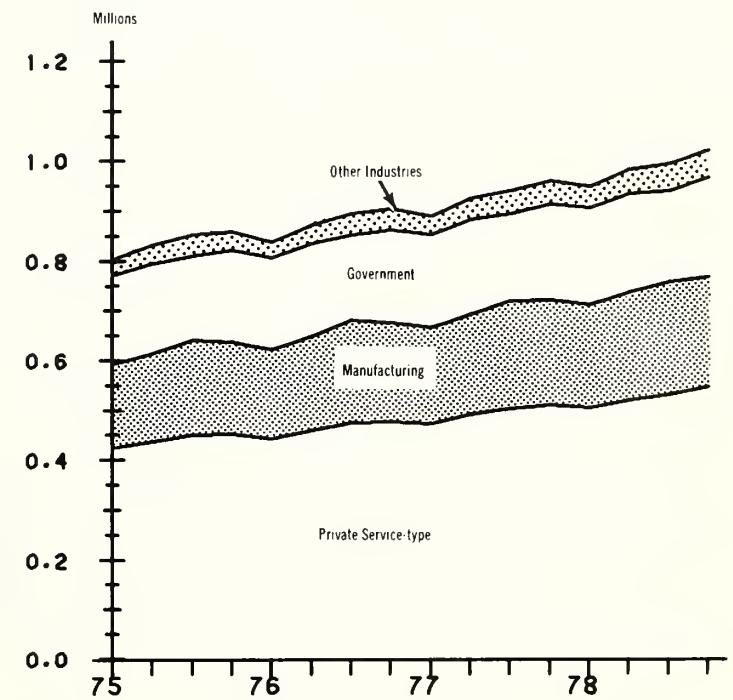


Chart 10.—Industrial Composition of Nonagricultural Employment: Oregon



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Oregon Through Fourth Quarter, 1978

| | United States | | | Oregon | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 5,043 | 5,441 | 6,186 | n.a. | 16.3 | 22.7 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 1,687 | 1,790 | 2,024 | n.a. | 14.2 | 19.9 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 1,104 | 1,168 | 1,377 | n.a. | 20.2 | 24.7 | --- | --- |
| Real estate | 177,935 | n.a. | 1,504 | 1,634 | 2,019 | n.a. | 19.9 | 34.2 | --- | --- |
| Residential..... | 101,236 | n.a. | 963 | 1,017 | 1,237 | n.a. | 21.3 | 28.5 | --- | --- |
| Farms..... | 7,731 | n.a. | 17 | 17 | 16 | n.a. | 10.7 | -3.9 | --- | --- |
| Other | 68,968 | n.a. | 525 | 600 | 766 | n.a. | 19.0 | 45.9 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 248 | 242 | 274 | n.a. | 6.8 | 10.8 | --- | --- |
| Other..... | 69,947 | n.a. | 500 | 607 | 492 | n.a. | 8.0 | -1.5 | --- | --- |
| Total deposits | 925,511 | n.a. | 7,282 | 7,766 | 8,272 | n.a. | 11.5 | 13.6 | --- | --- |
| Demand | 377,683 | n.a. | 2,941 | 3,050 | 3,143 | n.a. | 10.2 | 6.9 | --- | --- |
| Time and savings | 547,828 | n.a. | 4,341 | 4,716 | 5,128 | n.a. | 12.3 | 18.1 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of contracts in Oregon rose by one-fourth, exceeding the Nation's 16.8-percent average gain, to \$599 million (table 6). National construction costs rose about 13 percent during the same timespan; if this rise reflects the advance throughout Oregon, the real total valuation of contracts in the State rose about 12 percent versus about 4 percent nationally.

The dollar gain in the valuation of nonresidential contracts accounted for over one-half of the State's year-to-year dollar gain in the total valuation of contracts. Nonresidential contracts in Oregon rose 92.8 percent—from \$78 million to \$150 million—compared with 15.8 percent nationally. Oregon's percent gain was exceeded in only two States—Louisiana and Oklahoma.

The valuation of contracts for additions and alterations to residential housekeeping units rose 25.9 percent, 11.3 percentage points more than

nationally, to \$112 million. The valuation of residential housekeeping contracts rose 14.6 percent, lagging the national rise by only 1.0 percentage point, to \$285 million. In contrast, the number of dwelling units started in the State declined 11.4 percent, one of the largest declines among all States, to 7,300 units. Nationally, the number of dwelling units started was almost unchanged at a high level.

Nonbuilding contracts declined 22.8 percent in valuation from year to year, to \$46 million. This was the only decline registered by a major construction market in the State. Nationally, nonbuilding contracts rose 22.2 percent in valuation. A major component of nonbuilding contracts, streets and highways, declined 39.7 percent in valuation, to \$13 million. Nationally, the valuation of street and highway contracts declined 16.3 percent.

Chart 14.—Construction Contracts—Total Valuation

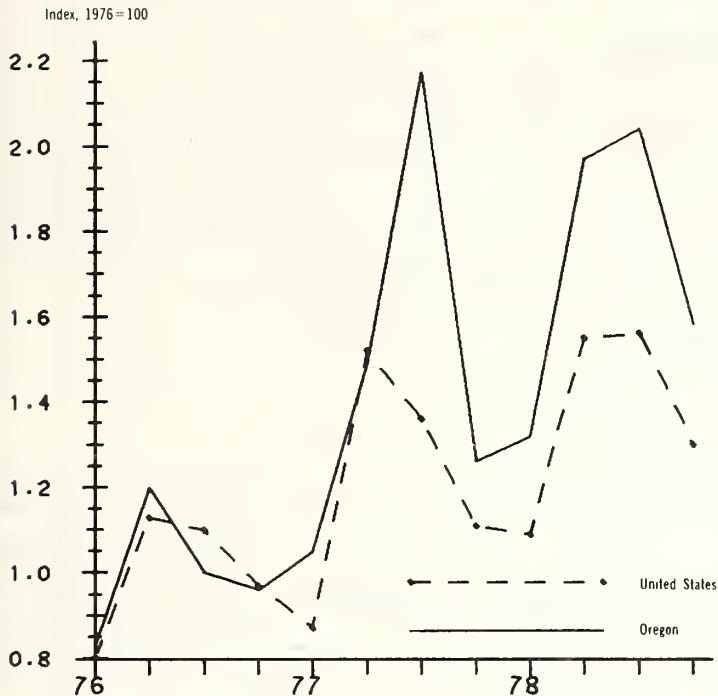


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Oregon

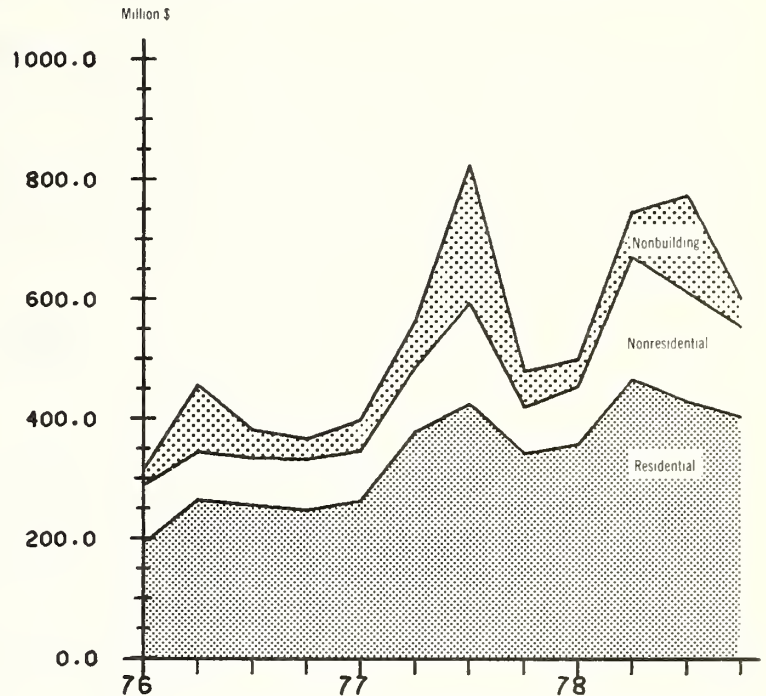


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

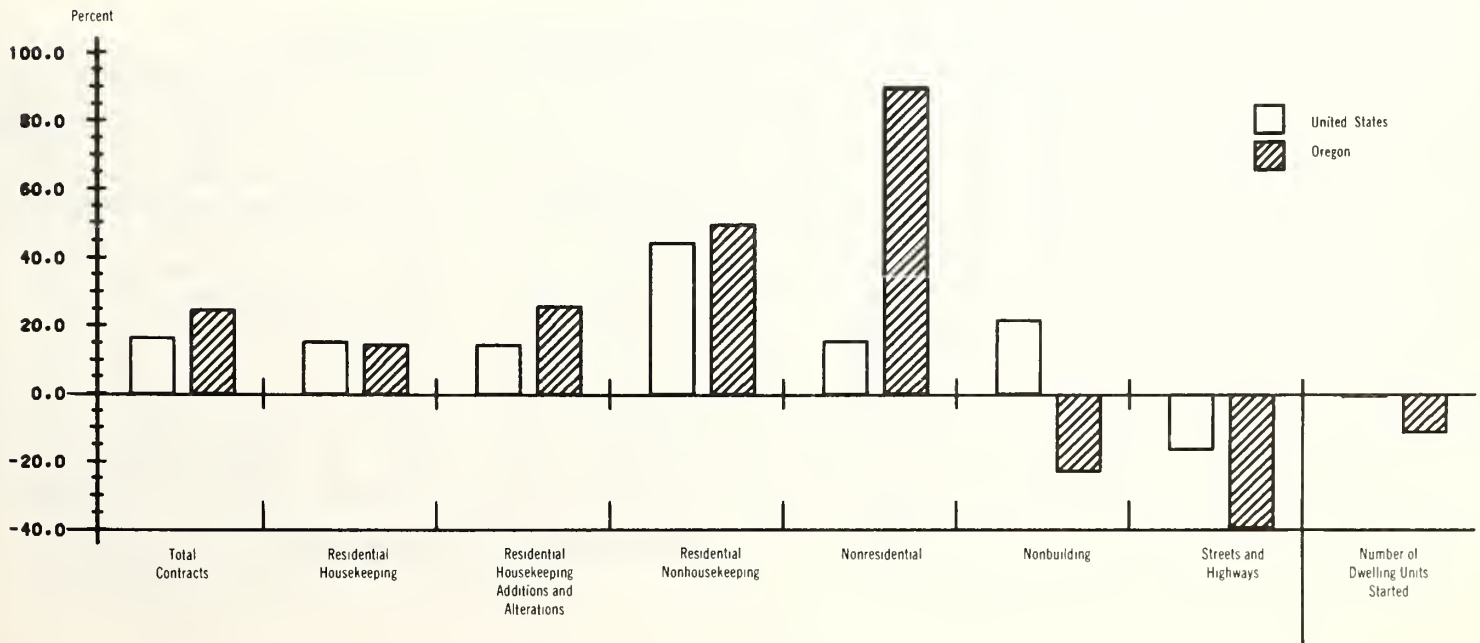


TABLE 6.—Construction Contracts, United States and Oregon Through Fourth Quarter, 1978¹

| | United States | | | Oregon | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 824,274 | 479,460 | 774,864 | 599,495 | 14.5 | -6.0 | 16.8 | 25.0 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 93,160 | 88,607 | 117,803 | 111,595 | 16.8 | 26.5 | 14.6 | 25.9 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 853 | 678 | 946 | 694 | 4.4 | 10.9 | -9.3 | 2.4 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 731,114 | 390,853 | 657,061 | 487,900 | 14.0 | -10.1 | 17.4 | 24.8 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 17,303 | 13,387 | 17,620 | 15,844 | 10.8 | 1.8 | 10.2 | 18.3 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 249 | 232 | 211 | 202 | -5.1 | -15.3 | -4.3 | -12.9 |
| Number of dwelling units | 445,772 | 443,075 | 10,138 | 8,234 | 8,659 | 7,299 | 1.0 | -14.6 | -6 | -11.4 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 302,322 | 248,545 | 308,944 | 284,890 | 15.3 | 2.2 | 15.6 | 14.6 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 11,827 | 9,676 | 11,409 | 10,531 | 10.3 | -3.5 | 10.7 | 8.8 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 9 | 3 | 5 | 8 | -10.0 | -44.4 | -4 | 166.7 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 31,032 | 4,366 | 2,050 | 6,551 | 9.4 | -93.4 | 44.8 | 50.0 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 854 | 149 | 61 | 192 | -7 | -92.9 | 24.7 | 28.9 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 324 | 277 | 393 | 363 | -2.5 | 21.3 | -12.0 | 31.0 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 166,759 | 77,804 | 182,145 | 150,012 | 27.6 | 9.2 | 15.8 | 92.8 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 4,622 | 3,562 | 6,151 | 5,120 | 12.2 | 33.1 | 8.9 | 43.8 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 271 | 166 | 337 | 121 | 22.4 | 24.4 | -9.1 | -27.1 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 231,001 | 60,138 | 163,922 | 46,447 | -1 | -29.0 | 22.2 | -22.8 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 115 | 57 | 120 | 37 | 9.3 | 4.3 | -17.8 | -35.1 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 38,945 | 20,986 | 37,269 | 12,647 | 3.0 | -4.3 | -16.3 | -39.7 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Oregon are not available.

TABLE 7.—Retail Sales, United States and Oregon Through Fourth Quarter, 1978

| | United States | | | Oregon | | | U.S. | State | U.S. | State |
|------------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available

Source: U.S. Department of Commerce, Bureau of Census.

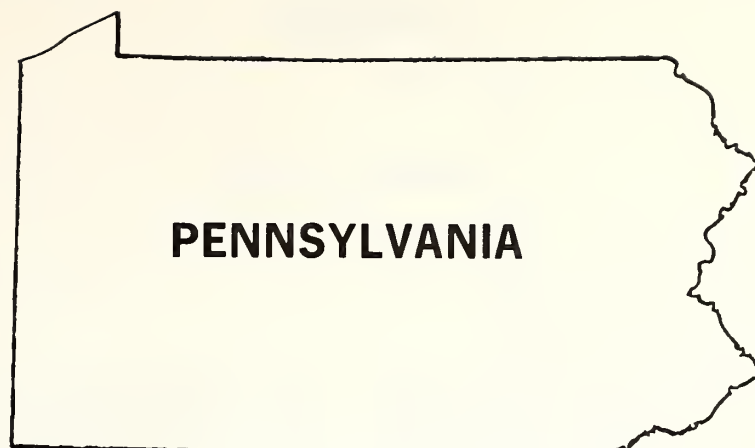
TABLE 8.—Business Incorporations and Failures, United States and Oregon Through Fourth Quarter, 1978

| | United States | | | Oregon | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 1,406 | 1,508 | 1,709 | n.a. | 8.2 | 21.6 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 53 | 37 | 38 | n.a. | -9.5 | -28.3 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 5,316 | 6,439 | 4,327 | n.a. | -44.2 | -18.6 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 100 | 174 | 114 | n.a. | -38.4 | 14.0 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 7 | 7 | 6 | n.a. | -10.1 | -14.3 | --- | --- |
| Construction | 319 | n.a. | 15 | 13 | 9 | n.a. | 1.0 | -40.0 | --- | --- |
| Wholesale trade | 191 | n.a. | 3 | 3 | 4 | n.a. | -27.1 | 33.3 | --- | --- |
| Retail trade | 688 | n.a. | 16 | 8 | 16 | n.a. | -4.2 | .0 | --- | --- |
| Commercial services | 238 | n.a. | 12 | 6 | 3 | n.a. | -24.0 | -75.0 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|---|
| Personal income | —Up 10.8% vs. 12.6% in U.S., to \$94.6 billion —Private service-type payrolls up 11.3% vs. 13.1% in U.S. —State and local government payrolls up 1.7% vs. 6.8% in U.S. |
| Consumer prices | —Up 7.2% in Philadelphia and 10.6% in Pittsburgh vs. 8.9% in U.S. —Northeast Pennsylvania index up to 198.5 in 1978:IV (1967=100) |
| Employment | —Up 3.7% vs. 3.9% in U.S., to 5.0 million |
| Unemployment | —Down 15,000, to 349,000 —Rate down 0.5 percentage point, to 6.5% of labor force vs. 5.5% in U.S. |
| Construction | —Total valuation of contracts up 10.3% vs. 16.8% in U.S., to \$1.6 billion —Valuation of nonresidential contracts down 7.9% vs. 15.8% gain in U.S., to \$324 million —Number of dwelling-unit starts up 14.0% vs. near stability in U.S., to 13,709 |
| Retail sales | —Up 8.4% vs. 11.2% in U.S., to almost \$11.3 billion |

TABLE 1.—Summary of Economic Indicators, United States and Pennsylvania Through Fourth Quarter, 1978

| | United States | | | Pennsylvania | | | U.S. | State | U.S. | State |
|--|--|------------|-----------|--------------|-----------|-----------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 83,590 | 85,369 | 92,296 | 94,591 | 12.4 | 10.4 | 12.6 | 10.8 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 53,503 | 54,423 | 58,990 | 60,526 | 12.1 | 10.3 | 12.6 | 11.2 |
| Civilian employment (thousands) | 92,442 | 96,010 | 4,846 | 4,825 | 4,947 | 5,004 | 4.1 | 2.1 | 3.9 | 3.7 |
| Unemployment (thousands) | 6,149 | 5,605 | 395 | 364 | 370 | 349 | -9.8 | -6.3 | -8.8 | -4.3 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 7.5 | 7.0 | 7.0 | 6.5 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 35,257 | 36,279 | 39,737 | n.a. | 16.3 | 12.7 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 49,630 | 51,938 | 53,843 | n.a. | 11.5 | 8.5 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 1,800,390 | 1,481,651 | 1,929,149 | 1,634,939 | 14.5 | 7.2 | 16.8 | 10.3 |
| Dwelling units started (number) | 445,772 | 443,075 | 14,444 | 12,027 | 15,245 | 13,709 | 1.0 | 5.5 | -6 | 14.0 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 9,528 | 10,388 | 9,882 | 11,257 | 10.3 | 3.7 | 11.2 | 8.4 |
| New business incorporations (number) | 109,411 | n.a. | 3,314 | 2,645 | 3,453 | n.a. | 8.2 | 4.2 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 102 | 103 | 86 | n.a. | -9.5 | -15.7 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Northeast Pennsylvania | --- | --- | --- | --- | 194.8 | 198.5 | --- | --- | --- | --- |
| Philadelphia | --- | --- | 185.4 | 187.1 | 197.2 | 200.6 | --- | 6.4 | --- | 7.2 |
| Pittsburgh | --- | --- | 180.6 | 183.5 | 199.1 | 202.9 | --- | 10.2 | --- | 10.6 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Pennsylvania increased 10.8 percent from 1977:IV to 1978:IV, lagging the Nation's increase of 12.6 percent (table 2). In 1978:IV, Pennsylvania's personal income totaled \$94.6 billion, up \$9.2 billion since 1977:IV. During this timespan, **consumer prices** increased 7.2 percent in the Philadelphia metropolitan area and 10.6 percent in the Pittsburgh area, compared with 8.9 percent nationally (table 3). If the average of the two metropolitan area increases is used as an indicator for price increases throughout the State, real total personal income in Pennsylvania increased about 1.9 percent from year to year, compared with a 3.7-percent increase nationally.

Since the last national business cycle peak in 1973:IV, Pennsylvania's economy has grown more slowly than the Nation's; the increase in the

State's nonfarm income was 13 percent less than nationally, ranking Pennsylvania 42nd among all States.

Wage and salary disbursements (payrolls) increased 11.2 percent from 1977:IV to 1978:IV, 1.4 percentage points below the Nation's gain, to \$60.5 billion. While all major industries in the State registered payroll gains, most gains were at rates that lagged national counterparts.

State and local government payrolls increased 1.7 percent, a rate that was lower only in California, to \$6.2 billion in 1978:IV. Services payrolls increased 10.2 percent, 2.5 percentage points below the national average increase. Transportation-communication-public utilities payrolls increased 10.6 percent, compared with 11.3 percent nationally. Trade payrolls increased 12.7 percent, lagging the Nation's gain of 14.1 percent, to \$9.3 billion. Durables manufacturing payrolls increased 12.6 percent, over 2 percentage points below the national increase. Construction payrolls increased 16.2 percent, compared with 20.1 percent in the Nation. Mining payrolls increased 31.3 percent, the largest payroll gain among all major industries in the State. The large increase was from an unusually low level in 1977:IV, when a coal mining strike was in effect.

Nondurables manufacturing payrolls increased 13.7 percent, outpacing the Nation's gain of 10.0 percent, to \$7.0 billion. Federal Government payrolls increased 8.3 percent, compared with 7.1 percent nationally.

State unemployment insurance benefits declined 39.8 percent in Pennsylvania, from \$1.2 billion in 1977:IV to \$703 million in 1978:IV; nationally, the decline was 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV

[Seasonally adjusted]

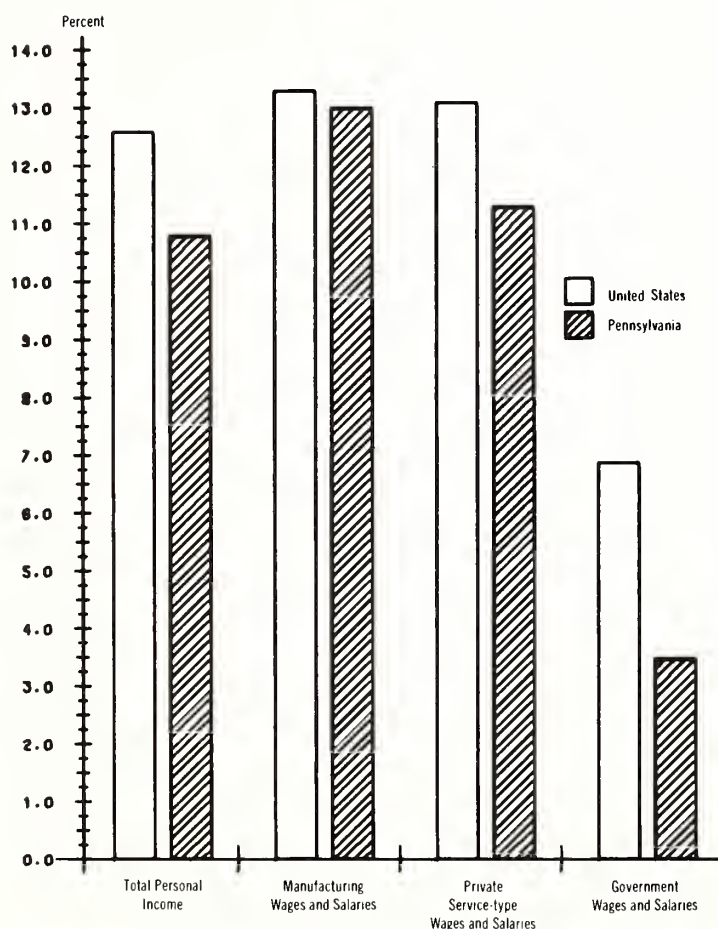


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

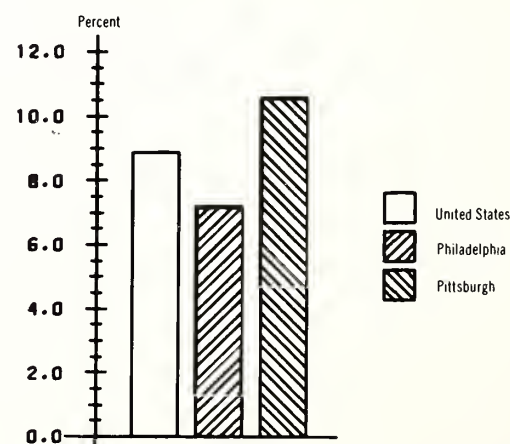


Chart 3.—Total Personal Income
[Seasonally adjusted]

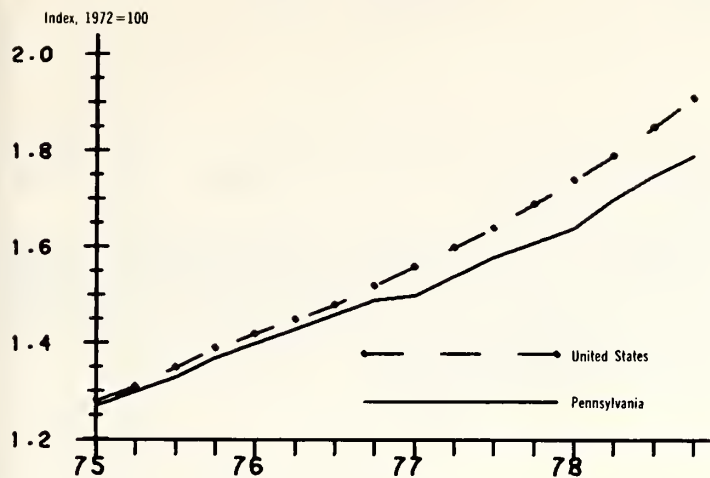


Chart 4.—Industrial Composition of Wages and Salaries: Pennsylvania
[Seasonally adjusted]

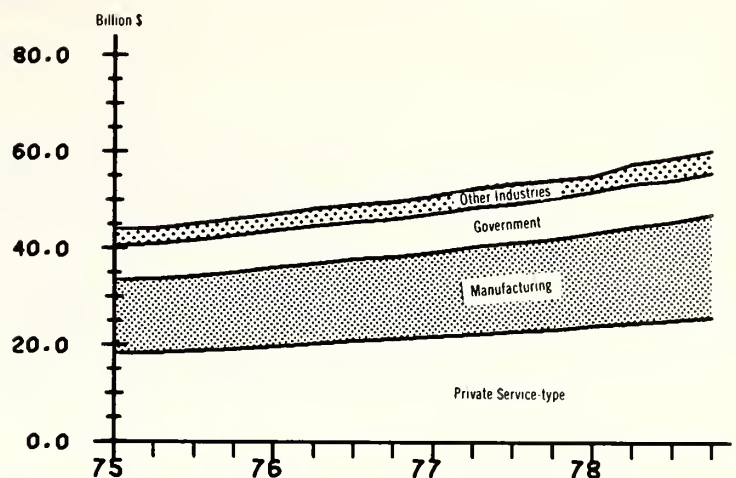


TABLE 2.—Personal Income, United States and Pennsylvania Through Fourth Quarter, 1978

| | United States | | | Pennsylvania | | | U.S. | State | U.S. | State |
|---|---|------------------|---------------|---------------|---------------|---------------|-----------------------------|-------------|---------------------|-------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 83,590 | 85,369 | 92,296 | 94,591 | 12.4 | 10.4 | 12.6 | 10.8 |
| Farm personal income | 31,224 | 39,451 | 453 | 545 | 750 | 800 | 47.9 | 65.7 | 26.3 | 46.9 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 83,137 | 84,824 | 91,546 | 93,790 | 11.9 | 10.1 | 12.3 | 10.6 |
| Total personal income | 1,583,508 | 1,782,519 | 83,590 | 85,369 | 92,296 | 94,591 | 12.4 | 10.4 | 12.6 | 10.8 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 53,503 | 54,423 | 58,990 | 60,526 | 12.1 | 10.3 | 12.6 | 11.2 |
| Other labor income | 96,016 | 111,719 | 5,381 | 5,516 | 6,177 | 6,361 | 17.0 | 14.8 | 16.4 | 15.3 |
| Proprietors' income | 105,953 | 125,995 | 4,776 | 4,912 | 5,531 | 5,729 | 21.5 | 15.8 | 18.9 | 16.7 |
| Farm | 23,636 | 31,044 | 235 | 324 | 513 | 551 | 66.6 | 118.2 | 31.3 | 70.0 |
| Nonfarm | 82,317 | 94,951 | 4,541 | 4,588 | 5,017 | 5,179 | 12.8 | 10.5 | 15.3 | 12.9 |
| Dividends, interest, and rent | 214,992 | 242,442 | 10,273 | 10,502 | 11,377 | 11,667 | 12.3 | 10.7 | 12.8 | 11.1 |
| Transfer payments | 215,944 | 233,750 | 13,451 | 13,826 | 14,464 | 14,646 | 8.8 | 7.5 | 8.2 | 5.9 |
| State unemployment insurance benefits | 11,128 | 7,753 | 1,037 | 1,169 | 749 | 703 | -24.0 | -27.7 | -30.3 | -39.8 |
| Less: personal contributions | 62,212 | 71,610 | 3,290 | 3,303 | 3,688 | 3,755 | 14.8 | 12.1 | 15.1 | 13.7 |
| Plus: residence adjustment | -401 | -473 | -504 | -507 | -553 | -584 | — | — | — | — |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 53,503 | 54,423 | 58,990 | 60,526 | 12.1 | 10.3 | 12.6 | 11.2 |
| Farm | 7,176 | 7,939 | 213 | 215 | 231 | 243 | 8.5 | 8.7 | 10.6 | 12.9 |
| Nonfarm | 1,006,040 | 1,132,757 | 53,291 | 54,208 | 58,759 | 60,283 | 12.1 | 10.3 | 12.6 | 11.2 |
| Mining | 14,048 | 18,813 | 940 | 785 | 1,028 | 1,031 | 26.5 | 9.3 | 33.9 | 31.3 |
| Construction | 55,648 | 66,858 | 2,770 | 2,704 | 3,140 | 3,141 | 19.1 | 13.4 | 20.1 | 16.2 |
| Manufacturing | 276,112 | 312,970 | 18,507 | 18,903 | 20,534 | 21,356 | 12.1 | 11.0 | 13.3 | 13.0 |
| Durable goods | 176,216 | 203,053 | 12,346 | 12,757 | 13,891 | 14,367 | 13.7 | 12.5 | 15.2 | 12.6 |
| Nondurable goods | 99,896 | 109,917 | 6,161 | 6,145 | 6,643 | 6,988 | 9.4 | 7.8 | 10.0 | 13.7 |
| Private service-type | 455,764 | 515,348 | 22,983 | 23,346 | 25,334 | 25,978 | 12.8 | 10.2 | 13.1 | 11.3 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 4,227 | 4,206 | 4,555 | 4,653 | 10.4 | 7.8 | 11.3 | 10.6 |
| Wholesale and retail trade | 170,888 | 195,035 | 8,066 | 8,212 | 9,045 | 9,256 | 13.6 | 12.1 | 14.1 | 12.7 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 2,526 | 2,547 | 2,755 | 2,835 | 14.1 | 9.1 | 13.2 | 11.3 |
| Services | 153,840 | 173,396 | 8,164 | 8,381 | 8,979 | 9,234 | 12.6 | 10.0 | 12.7 | 10.2 |
| Government | 201,252 | 215,083 | 7,997 | 8,374 | 8,611 | 8,666 | 7.4 | 7.7 | 6.9 | 3.5 |
| Federal | 68,176 | 73,003 | 2,207 | 2,286 | 2,370 | 2,475 | 7.3 | 7.4 | 7.1 | 8.3 |
| State and local | 133,076 | 142,080 | 5,790 | 6,088 | 6,240 | 6,191 | 7.5 | 7.8 | 6.8 | 1.7 |
| Other | 3,216 | 3,685 | 94 | 97 | 112 | 111 | 18.7 | 19.0 | 14.6 | 14.4 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Pennsylvania Through Fourth Quarter, 1978¹

| | United States | | | Pennsylvania | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|--------------|----------|---------|-----------------------|----------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | | Percent change | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Northeast Pennsylvania..... | --- | --- | --- | --- | 194.8 | 198.5 | --- | --- | --- | --- |
| Philadelphia..... | --- | --- | 185.4 | 187.1 | 197.2 | 200.6 | --- | 6.4 | --- | 7.2 |
| Pittsburgh..... | --- | --- | 180.6 | 183.5 | 199.1 | 202.9 | --- | 10.2 | --- | 10.6 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Pennsylvania's **civilian labor force** increased 3.1 percent, equaling the national average advance (table 4). **Total employment** increased from 4.8 million to 5.0 million, a 3.7-percent advance that lagged the Nation's advance of 3.9 percent.

With employment increasing by 179,000 and the labor force increasing by only 164,000, the number of **unemployed** declined by 15,000. The **unemployment rate** declined 0.5 percentage point, to 6.5 percent of the labor force. In 1978:IV, Pennsylvania's unemployment rate was a full

percentage point above the Nation's 5.5-percent rate and was one of the highest among all States.

Across the State, unemployment rates varied considerably. According to preliminary data for December 1978, unemployment rates ranged from 3.8 percent of the labor force in Lancaster to 9.0 percent in Johnstown; the preliminary State rate was 6.0 percent. The two largest metropolitan areas, Philadelphia and Pittsburgh, had rates of 6.1 percent and 5.1 percent, respectively.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV:
Pennsylvania

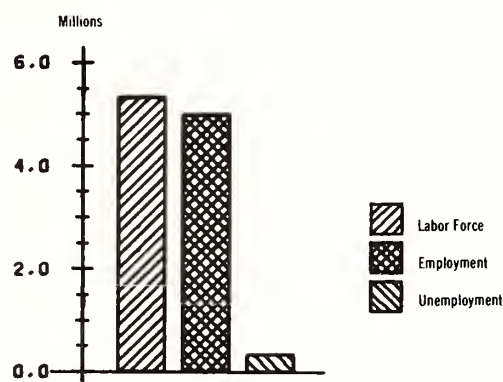


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

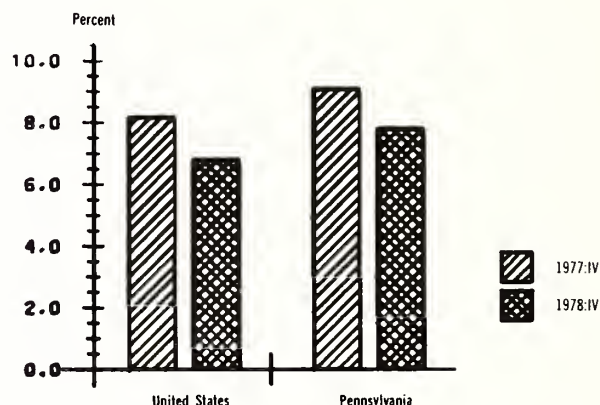


TABLE 4.—Labor Force, United States and Pennsylvania Through Fourth Quarter, 1978

| | United States | | | Pennsylvania | | | U.S. | State | U.S. | State |
|---|--|---------|----------|--------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 4,573 | 4,608 | 4,651 | 4,667 | 4.3 | 1.7 | 4.2 | 1.3 |
| Mining | 787 | 899 | 49 | 41 | 48 | 47 | 8.2 | -3.2 | 14.2 | 15.4 |
| Construction | 4,032 | 4,488 | 201 | 189 | 207 | 194 | 10.4 | 2.9 | 11.3 | 2.8 |
| Manufacturing | 19,986 | 20,722 | 1,353 | 1,344 | 1,368 | 1,368 | 3.1 | 1.1 | 3.7 | 1.8 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 260 | 259 | 256 | 261 | 3.8 | -1.2 | 4.4 | .7 |
| Wholesale and retail trade | 19,152 | 20,015 | 923 | 951 | 933 | 959 | 5.3 | 1.1 | 4.5 | .9 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 220 | 220 | 228 | 228 | 4.8 | 3.5 | -2.0 | 3.7 |
| Services | 15,539 | 16,215 | 868 | 878 | 888 | 901 | 4.6 | 2.3 | 4.4 | 2.7 |
| Government | 15,434 | 15,656 | 700 | 726 | 723 | 708 | 2.1 | 3.3 | 1.4 | -2.5 |
| Civilian labor force ³ | 98,591 | 101,615 | 5,241 | 5,189 | 5,317 | 5,352 | 3.2 | 1.5 | 3.1 | 3.1 |
| Total employed | 92,442 | 96,010 | 4,846 | 4,825 | 4,947 | 5,004 | 4.1 | 2.1 | 3.9 | 3.7 |
| Total unemployed | 6,149 | 5,605 | 395 | 364 | 370 | 349 | -9.8 | -6.3 | -8.8 | -4.3 |
| Percent unemployed | 6.2 | 5.5 | 7.5 | 7.0 | 7.0 | 6.5 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

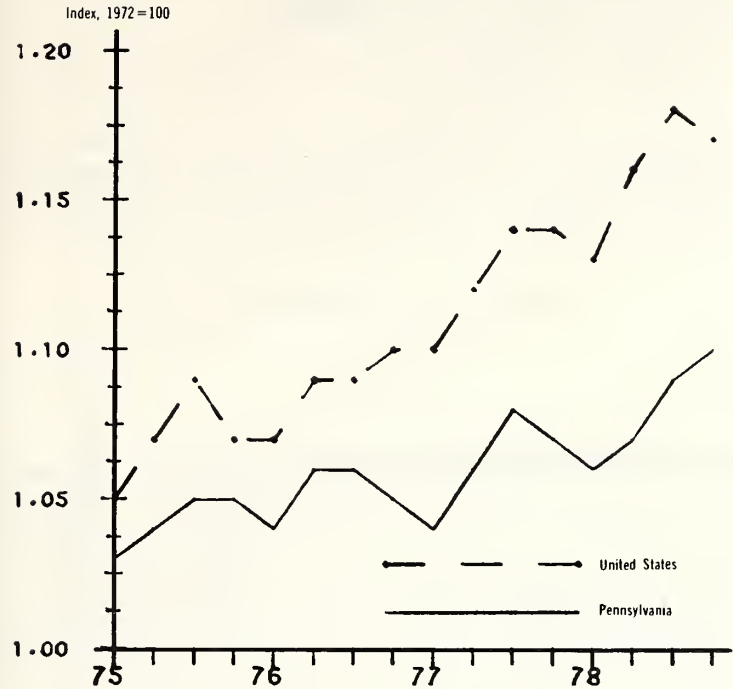


Chart 8.—Civilian Employment

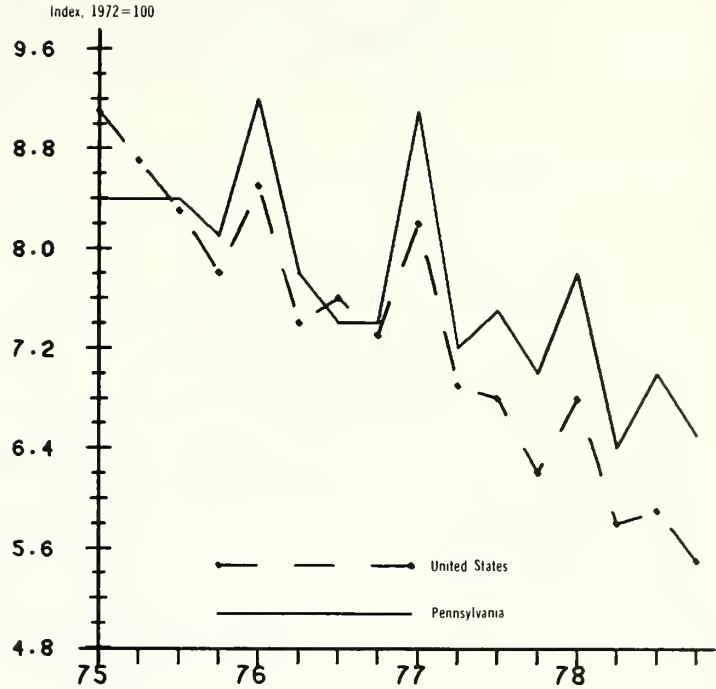


Chart 9.—Unemployment Rate

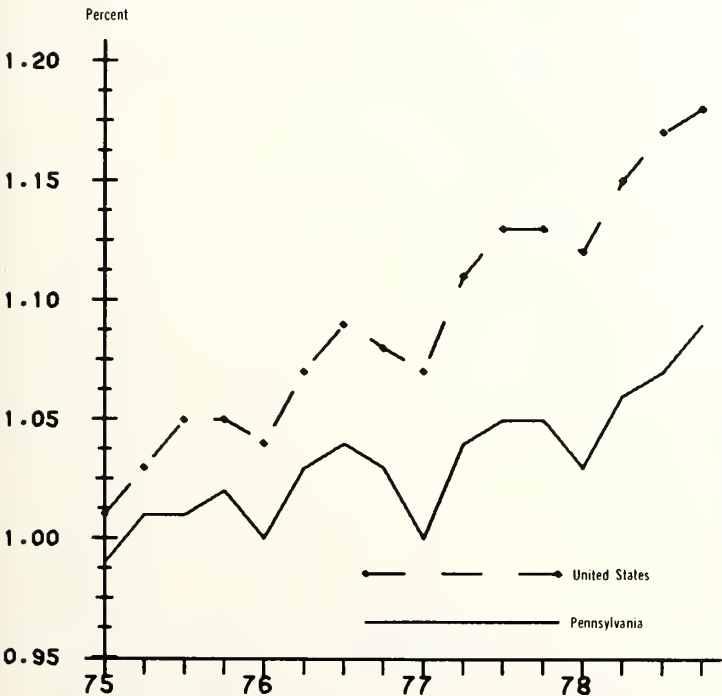
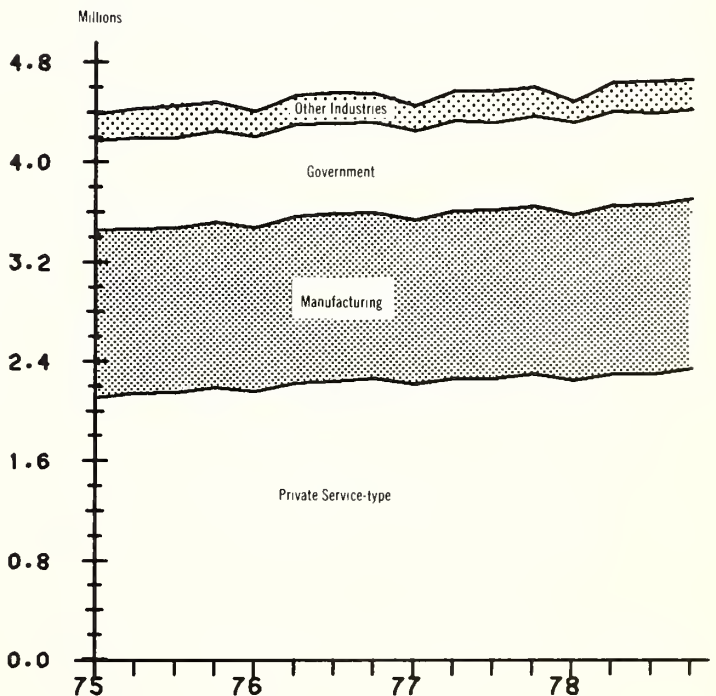


Chart 10.—Industrial Composition of Nonagricultural Employment: Pennsylvania



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Pennsylvania Through Fourth Quarter, 1978

| | United States | | | Pennsylvania | | | U.S. | State | U.S. | State |
|------------------------------------|---|-------------|---------------|---------------|---------------|-------------|-----------------------------|----------------------|---------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:IV— 1978:IV | 1977:IV— 1978:IV |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 35,257 | 36,279 | 39,737 | n.a. | 16.3 | 12.7 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 11,413 | 11,567 | 12,414 | n.a. | 14.2 | 8.8 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 7,918 | 8,109 | 9,118 | n.a. | 20.2 | 15.2 | --- | --- |
| Real estate | 177,935 | n.a. | 11,583 | 11,954 | 13,617 | n.a. | 19.9 | 17.6 | --- | --- |
| Residential | 101,236 | n.a. | 6,862 | 7,164 | 8,378 | n.a. | 21.3 | 22.1 | --- | --- |
| Farms | 7,731 | n.a. | 294 | 304 | 334 | n.a. | 10.7 | 13.6 | --- | --- |
| Other | 68,968 | n.a. | 4,427 | 4,486 | 4,905 | n.a. | 19.0 | 10.8 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 264 | 274 | 298 | n.a. | 6.8 | 12.8 | --- | --- |
| Other | 69,947 | n.a. | 4,079 | 4,375 | 4,290 | n.a. | 8.0 | 5.2 | --- | --- |
| Total deposits | 925,511 | n.a. | 49,630 | 51,938 | 53,843 | n.a. | 11.5 | 8.5 | --- | --- |
| Demand | 377,683 | n.a. | 15,833 | 17,590 | 16,954 | n.a. | 10.2 | 7.1 | --- | --- |
| Time and savings | 547,828 | n.a. | 33,798 | 34,348 | 36,890 | n.a. | 12.3 | 9.1 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts rose 10.3 percent from 1977:IV to 1978:IV, to \$1.6 billion (table 6). The gain in Pennsylvania lagged the Nation's gain by 6.5 percentage points. National construction costs rose almost 13 percent during this timespan; if this rise reflects the advance throughout Pennsylvania, the real total valuation of contracts declined about 3 percent in the State versus a national rise of about 4 percent.

The valuation of nonresidential contracts declined 7.9 percent from year to year, in contrast with a 15.8-percent national gain. Pennsylvania's decline totaled \$28 million, to a level of \$324 million in 1978:IV.

The valuation of contracts for additions and alterations to residential housekeeping units declined 3.7 percent, the largest decline among all States, to \$522 million. Nationally, addition and alteration contracts rose 14.6 percent in valuation. In contrast, the valuation of residential

housekeeping contracts in Pennsylvania rose 19.9 percent, leading the Nation's average gain of 15.6 percent, to almost \$500 million. The number of dwelling units started rose 14.0 percent, or 1,682 units, to 13,709. Nationally, the number of dwelling units started was almost unchanged at a high level.

The valuation of nonbuilding contracts rose 43.2 percent, compared with a national gain of 22.2 percent, to \$240 million. A major component of nonbuilding contracts, streets and highways, registered a 10.3-percent gain in valuation, compared with a 16.3-percent national decline.

The valuation of residential nonhousekeeping contracts rose from \$4 million in 1977:IV to \$50 million in 1978:IV. The national counterpart rose 44.8 percent.

Chart 14.—Construction Contracts—Total Valuation

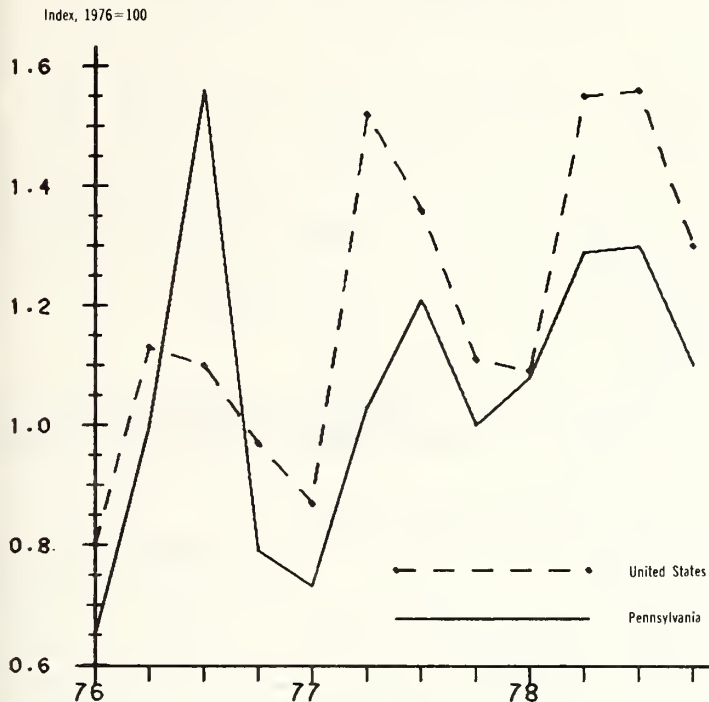


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Pennsylvania

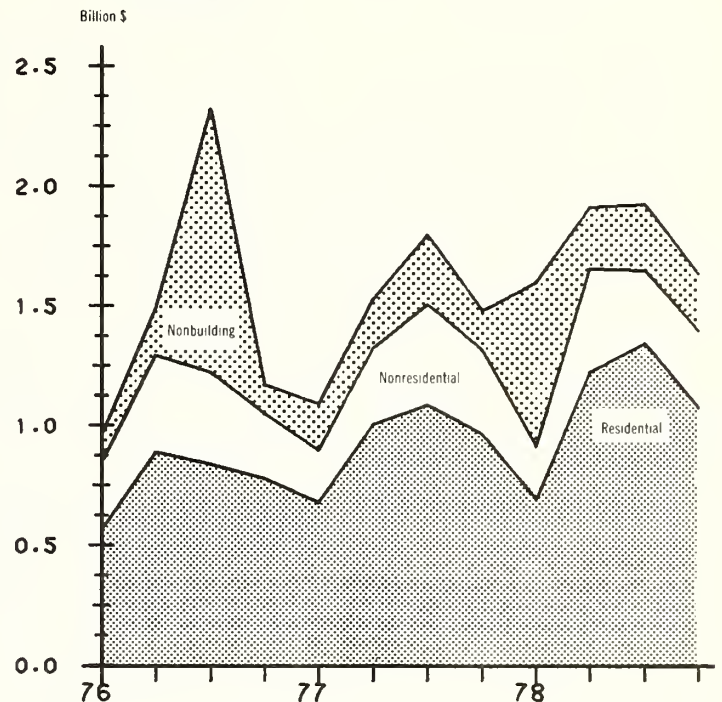


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

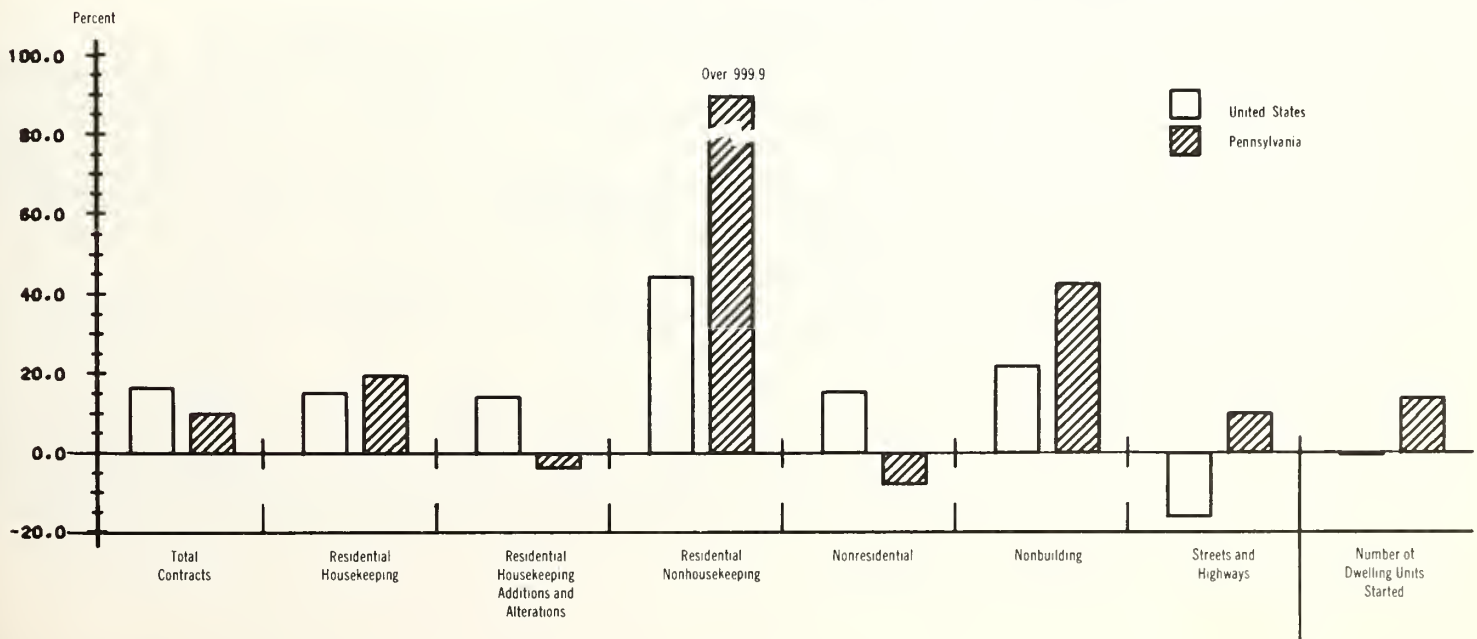


TABLE 6.—Construction Contracts, United States and Pennsylvania Through Fourth Quarter, 1978¹

| | United States | | | Pennsylvania | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|-----------|--------------|-----------|-----------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 1,800,390 | 1,481,651 | 1,929,149 | 1,634,939 | 14.5 | 7.2 | 16.8 | 10.3 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars)..... | 7,707,987 | 8,832,353 | 599,906 | 542,617 | 700,894 | 522,320 | 16.8 | 16.8 | 14.6 | -3.7 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 2,515 | 2,004 | 2,864 | 1,804 | 4.4 | 13.9 | -9.3 | -10.0 |
| Valuation (thousands of dollars)..... | 31,205,124 | 36,627,420 | 1,200,484 | 939,034 | 1,228,255 | 1,112,619 | 14.0 | 2.3 | 17.4 | 18.5 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 26,346 | 23,910 | 29,530 | 27,100 | 10.8 | 12.1 | 10.2 | 13.3 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 359 | 330 | 339 | 330 | -5.1 | -5.6 | -4.3 | .0 |
| Number of dwelling units | 445,772 | 443,075 | 14,444 | 12,027 | 15,245 | 13,709 | 1.0 | 5.5 | -6 | 14.0 |
| Valuation (thousands of dollars)..... | 14,879,596 | 17,198,518 | 482,145 | 415,912 | 593,075 | 498,821 | 15.3 | 23.0 | 15.6 | 19.9 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 17,268 | 14,986 | 20,536 | 17,817 | 10.3 | 18.9 | 10.7 | 18.9 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 16 | 5 | 20 | 9 | -10.0 | 25.0 | -4 | 80.0 |
| Valuation (thousands of dollars)..... | 338,637 | 490,279 | 7,802 | 3,840 | 53,307 | 49,953 | 9.4 | 583.2 | 44.8 | *** |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 191 | 173 | 1,173 | 485 | -7 | 515.5 | 24.7 | 180.4 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 997 | 915 | 875 | 772 | -2.5 | -12.2 | -12.0 | -15.6 |
| Valuation (thousands of dollars)..... | 9,334,415 | 10,810,769 | 419,855 | 351,898 | 300,759 | 324,213 | 27.6 | -28.4 | 15.8 | -7.9 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 8,887 | 8,751 | 7,822 | 8,798 | 12.2 | -12.0 | 8.9 | .5 |
| Nonbuilding | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 1,143 | 754 | 1,630 | 693 | 22.4 | 42.6 | -9.1 | -8.1 |
| Valuation (thousands of dollars)..... | 6,652,476 | 8,127,854 | 290,682 | 167,384 | 281,114 | 239,632 | -1 | -3.3 | 22.2 | 43.2 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 585 | 202 | 759 | 190 | 9.3 | 29.7 | -17.8 | -5.9 |
| Valuation (thousands of dollars)..... | 2,308,681 | 1,931,341 | 54,961 | 38,125 | 65,720 | 42,058 | 3.0 | 19.6 | -16.3 | 10.3 |

***Percent change greater than 999.9.

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Pennsylvania totaled almost \$11.3 billion in 1978:IV, up 8.4 percent (\$869 million) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for over \$8.0 billion, and durable goods accounted for over \$3.2 billion.

TABLE 7.—Retail Sales, United States and Pennsylvania Through Fourth Quarter, 1978

| | United States | | | Pennsylvania | | | U.S. | State | U.S. | State |
|------------------|--|---------|----------|--------------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| Retail sales | 197,030 | 219,020 | 9,528 | 10,388 | 9,882 | 11,257 | 10.3 | 3.7 | 11.2 | 8.4 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 3,161 | 3,229 | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | 6,721 | 8,028 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Pennsylvania Through Fourth Quarter, 1978

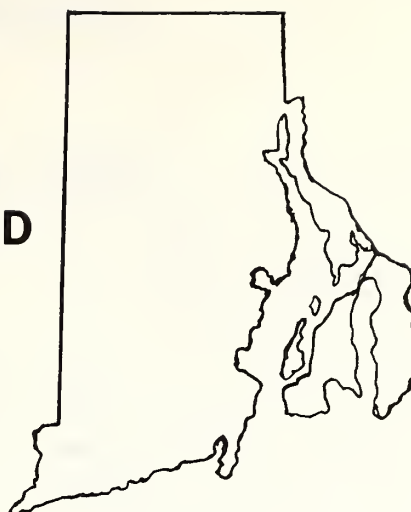
| | United States | | | Pennsylvania | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|--------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 3,314 | 2,645 | 3,453 | n.a. | 8.2 | 4.2 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 102 | 103 | 86 | n.a. | -9.5 | -15.7 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 15,660 | 20,502 | 47,019 | n.a. | -44.2 | 200.2 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 154 | 199 | 547 | n.a. | -38.4 | 255.2 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 18 | 17 | 9 | n.a. | -10.1 | -50.0 | --- | --- |
| Construction | 319 | n.a. | 18 | 23 | 15 | n.a. | 1.0 | -16.7 | --- | --- |
| Wholesale trade | 191 | n.a. | 11 | 10 | 8 | n.a. | -27.1 | -27.3 | --- | --- |
| Retail trade | 688 | n.a. | 43 | 44 | 41 | n.a. | -4.2 | -4.7 | --- | --- |
| Commercial services | 238 | n.a. | 12 | 9 | 13 | n.a. | -24.0 | 8.3 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

RHODE ISLAND



Highlights

1977:IV to 1978:IV

Personal income

- Up 11.5%, 1.1 percentage points less than in U.S.
- Weak increases in private service-type industries and durables manufacturing
- Strong increases in government and construction

Consumer prices

- Up 7.5% in Boston vs. 8.9% in U.S.

Employment

- Up 0.5% vs. 3.9% in U.S., to 414,000

Unemployment

- Down 9,000, to 23,000
- Rate down to 5.2% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 7.7% vs. 16.8% in U.S., to \$140 million
- Most construction categories in State weak
- Number of dwelling units started in 1978:IV was 1,403, with little year-to-year change, as in U.S.

TABLE 1.—Summary of Economic Indicators, United States and Rhode Island Through Fourth Quarter, 1978

| | United States | | | Rhode Island | | | U.S. | State | U.S. | State |
|--|--|------------|----------|--------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 6,394 | 6,571 | 7,171 | 7,325 | 12.4 | 12.2 | 12.6 | 11.5 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 3,946 | 4,059 | 4,446 | 4,552 | 12.1 | 12.7 | 12.6 | 12.1 |
| Civilian employment (thousands)..... | 92,442 | 96,010 | 404 | 412 | 412 | 414 | 4.1 | 2.0 | 3.9 | .5 |
| Unemployment (thousands) | 6,149 | 5,605 | 40 | 32 | 26 | 23 | -9.8 | -35.7 | -8.8 | -28.5 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 9.0 | 7.2 | 5.9 | 5.2 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 2,812 | 2,936 | 3,217 | n.a. | 16.3 | 14.4 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 3,504 | 3,772 | 4,053 | n.a. | 11.5 | 15.7 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 117,629 | 129,856 | 140,887 | 139,818 | 14.5 | 19.8 | 16.8 | 7.7 |
| Dwelling units started (number) | 445,772 | 443,075 | 1,694 | 1,394 | 1,346 | 1,403 | 1.0 | -20.5 | -.6 | .6 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 482 | 495 | 495 | n.a. | 8.2 | 2.7 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 4 | 13 | 6 | n.a. | -9.5 | 50.0 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Boston | --- | --- | 185.0 | 185.3 | 194.2 | 199.2 | --- | 5.0 | --- | 7.5 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

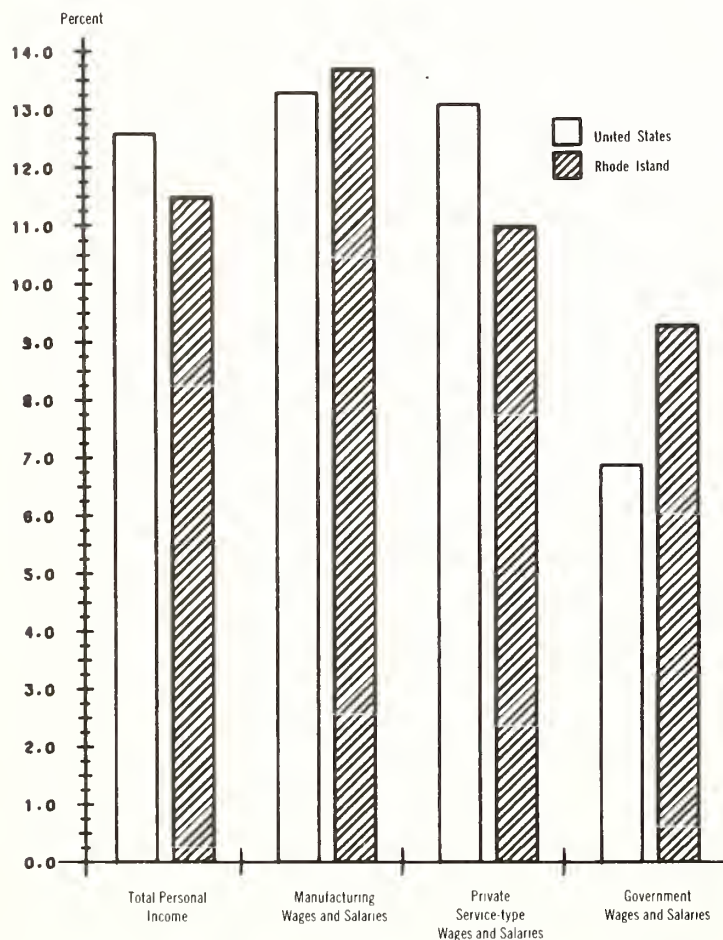
Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.5 percent from 1977:IV to 1978:IV, 1.1 percentage points less than nationally (table 2). In 1978:IV, Rhode Island's total personal income was \$7.3 billion, up \$0.8 billion since 1977:IV. Changes in many major income components were below those registered in corresponding components nationally. Like Rhode Island, most of the New England States had increases in total personal income that were close to the national average.

Since the last national business cycle peak (1973:IV), Rhode Island's economy has increased slowly; the increase in nonfarm income was 16 percent less than nationally, ranking Rhode Island 46th among all States. All of the States that grew more slowly than Rhode Island were in the Northeast.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV

[Seasonally adjusted]



Consumer prices in Boston, the metropolitan area closest to Rhode Island for which price data are available, increased 7.5 percent from 1977:IV to 1978:IV versus a national increase of 8.9 percent (table 3). If Boston's index is used as an indicator for price movements in the State, real total personal income in Rhode Island increased 4.0 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 12.1 percent in the State versus 12.6 percent in the Nation. In 1978:IV, they totaled \$4.6 billion, up \$0.5 billion from year to year.

Weakness was particularly pronounced in private service-type industries, where payrolls increased 11.0 percent versus 13.1 percent in the Nation. The lag was especially large in trade and services.

Total manufacturing payrolls increased 13.7 percent in the State versus 13.3 percent in the Nation. Durable goods manufacturing payrolls, in contrast, increased 14.7 percent in Rhode Island, 0.5 percentage point less than in the Nation. This lag was especially important inasmuch as durable goods payrolls accounted for 24.1 percent of Rhode Island's total payrolls in 1978:IV, compared with a 17.8-percent weight nationally. Nondurable goods manufacturing payrolls increased 11.5 percent in the State versus 10.0 percent in the Nation. Construction payrolls and Federal and State and local government payrolls also were strong in Rhode Island.

With the State's income growth lagging the Nation's, State unemployment insurance benefits in Rhode Island declined only 9.1 percent versus a decline of 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

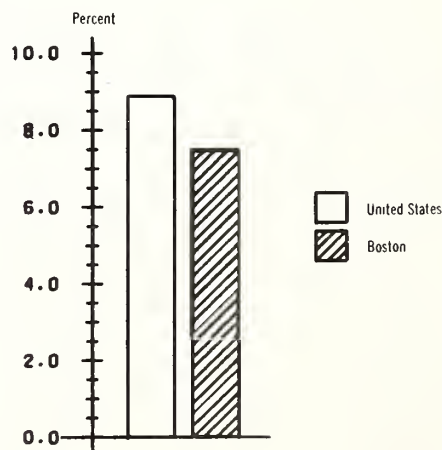


Chart 3.—Total Personal Income
[Seasonally adjusted]

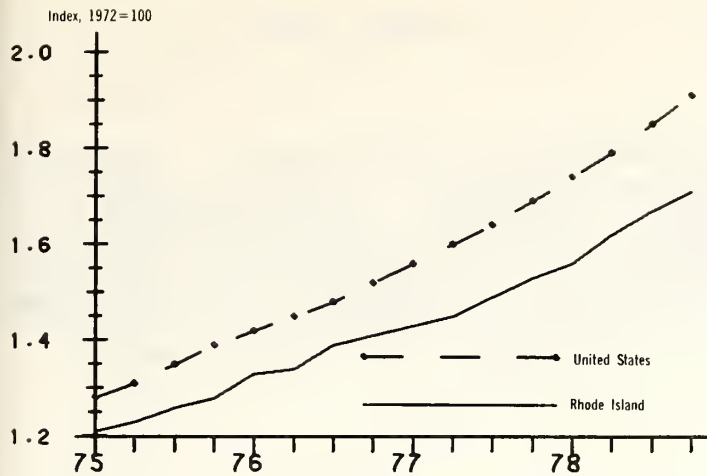


Chart 4.—Industrial Composition of Wages and Salaries: Rhode Island
[Seasonally adjusted]

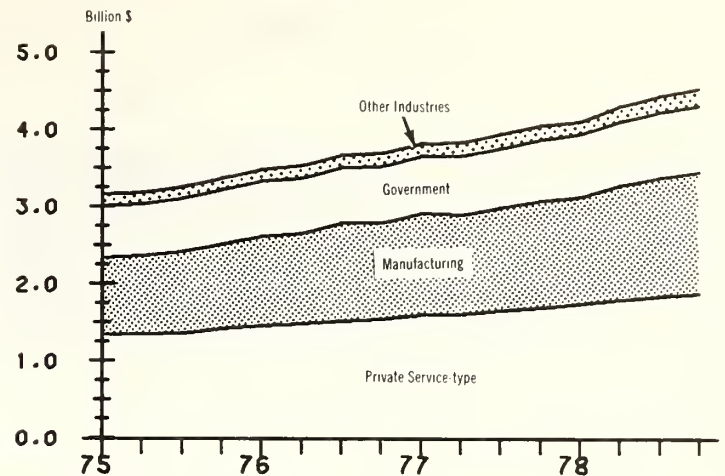


TABLE 2.—Personal Income, United States and Rhode Island Through Fourth Quarter, 1978

| | United States | | | Rhode Island | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|--------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 6,394 | 6,571 | 7,171 | 7,325 | 12.4 | 12.2 | 12.6 | 11.5 |
| Farm personal income | 31,224 | 39,451 | 6 | 7 | 6 | 7 | 47.9 | .4 | 26.3 | —1.9 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 6,388 | 6,565 | 7,165 | 7,318 | 11.9 | 12.2 | 12.3 | 11.5 |
| Total personal income | 1,583,508 | 1,782,519 | 6,394 | 6,571 | 7,171 | 7,325 | 12.4 | 12.2 | 12.6 | 11.5 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,946 | 4,059 | 4,446 | 4,552 | 12.1 | 12.7 | 12.6 | 12.1 |
| Other labor income | 96,016 | 111,719 | 379 | 395 | 445 | 456 | 17.0 | 17.4 | 16.4 | 15.3 |
| Proprietors' income | 105,953 | 125,995 | 272 | 277 | 299 | 310 | 21.5 | 9.9 | 18.9 | 12.0 |
| Farm | 23,636 | 31,044 | 1 | 1 | 0 | 1 | 66.6 | —52.9 | 31.3 | —44.5 |
| Nonfarm | 82,317 | 94,951 | 271 | 276 | 298 | 309 | 12.8 | 10.1 | 15.3 | 12.2 |
| Dividends, interest, and rent | 214,992 | 242,442 | 824 | 843 | 911 | 933 | 12.3 | 10.6 | 12.8 | 10.7 |
| Transfer payments | 215,944 | 233,750 | 1,097 | 1,120 | 1,214 | 1,216 | 8.8 | 10.7 | 8.2 | 8.6 |
| State unemployment insurance benefits | 11,128 | 7,753 | 87 | 91 | 99 | 83 | —24.0 | 14.1 | —30.3 | —9.1 |
| Less: personal contributions | 62,212 | 71,610 | 280 | 286 | 322 | 325 | 14.8 | 14.9 | 15.1 | 13.9 |
| Plus: residence adjustment | —401 | —473 | 156 | 163 | 178 | 183 | — | — | — | — |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 3,946 | 4,059 | 4,446 | 4,552 | 12.1 | 12.7 | 12.6 | 12.1 |
| Farm | 7,176 | 7,939 | 5 | 5 | 5 | 6 | 8.5 | 2.3 | 10.6 | 6.0 |
| Nonfarm | 1,006,040 | 1,132,757 | 3,941 | 4,054 | 4,441 | 4,547 | 12.1 | 12.7 | 12.6 | 12.2 |
| Mining | 14,048 | 18,813 | 2 | 2 | 3 | 3 | 26.5 | 44.8 | 33.9 | 59.3 |
| Construction | 55,648 | 66,858 | 159 | 158 | 186 | 196 | 19.1 | 17.3 | 20.1 | 23.8 |
| Manufacturing | 276,112 | 312,970 | 1,341 | 1,384 | 1,536 | 1,573 | 12.1 | 14.6 | 13.3 | 13.7 |
| Durable goods | 176,216 | 203,053 | 927 | 954 | 1,052 | 1,095 | 13.7 | 13.5 | 15.2 | 14.7 |
| Nondurable goods | 99,896 | 109,917 | 414 | 429 | 484 | 479 | 9.4 | 16.9 | 10.0 | 11.5 |
| Private service-type | 455,764 | 515,348 | 1,660 | 1,701 | 1,855 | 1,889 | 12.8 | 11.8 | 13.1 | 11.0 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 177 | 182 | 200 | 201 | 10.4 | 13.0 | 11.3 | 10.4 |
| Wholesale and retail trade | 170,888 | 195,035 | 609 | 629 | 692 | 699 | 13.6 | 13.6 | 14.1 | 11.2 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 218 | 215 | 238 | 243 | 14.1 | 9.3 | 13.2 | 12.9 |
| Services | 153,840 | 173,396 | 656 | 675 | 726 | 746 | 12.6 | 10.7 | 12.7 | 10.5 |
| Government | 201,252 | 215,083 | 766 | 795 | 844 | 869 | 7.4 | 10.1 | 6.9 | 9.3 |
| Federal | 68,176 | 73,003 | 222 | 224 | 241 | 251 | 7.3 | 8.6 | 7.1 | 12.1 |
| State and local | 133,076 | 142,080 | 544 | 571 | 602 | 618 | 7.5 | 10.8 | 6.8 | 8.2 |
| Other | 3,216 | 3,685 | 14 | 14 | 17 | 17 | 18.7 | 16.4 | 14.6 | 14.8 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Rhode Island Through Fourth Quarter, 1978¹

| | United States | | | Rhode Island | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|--------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Boston..... | --- | --- | 185.0 | 185.3 | 194.2 | 199.2 | --- | 5.0 | --- | 7.5 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the **civilian labor force** in the State declined 1.6 percentage points, in sharp contrast with a national average increase of 3.1 percent (table 4). Rhode Island's decline was the largest among the three States that had declines. The other declines were in Arkansas and Mississippi. **Total employment** in the State increased only 0.5 percent versus a national increase of 3.9 percent, to 414,000. Only two States—Mississippi, where employment was unchanged, and Arkansas, where it declined 1.7 percent—ranked below Rhode Island.

With the labor force declining 7,000 and employment increasing 2,000, **unemployment** declined 9,000, to 23,000. The **unemployment rate** declined 2.0 percentage points, to 5.2 percent. Rhode Island's decline was exceeded only in Nevada (2.3 percentage points). All New England States except Connecticut registered sharp declines in unemployment rates. While in 1977:IV, the unemployment rate in Rhode Island had been well above the national average rate, in 1978:IV, the State's rate was somewhat below the national average rate of 5.5 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Rhode Island

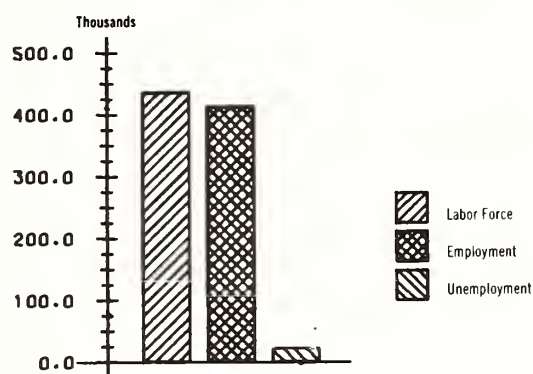


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

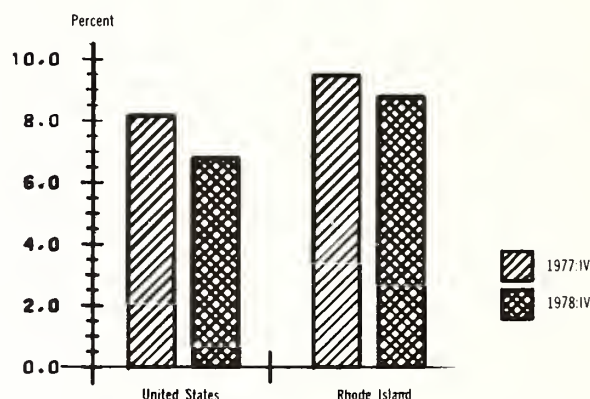


TABLE 4.—Labor Force, United States and Rhode Island Through Fourth Quarter, 1978

| | United States | | | Rhode Island | | | U.S. | State | U.S. | State |
|---|--|---------|----------|--------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 380 | 389 | 402 | 408 | 4.3 | 5.6 | 4.2 | 4.7 |
| Mining and services..... | 16,326 | 17,114 | 72 | 73 | 76 | 77 | — — | 4.8 | — — | 6.2 |
| Construction | 4,032 | 4,488 | 14 | 13 | 15 | 15 | 10.4 | 7.4 | 11.3 | 14.7 |
| Manufacturing | 19,986 | 20,722 | 126 | 132 | 137 | 138 | 3.1 | 8.2 | 3.7 | 5.0 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 14 | 14 | 14 | 14 | 3.8 | .0 | 4.4 | .7 |
| Wholesale and retail trade | 19,152 | 20,015 | 77 | 80 | 81 | 83 | 5.3 | 4.7 | 4.5 | 4.3 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 19 | 19 | 20 | 20 | 4.8 | 3.6 | -2.0 | 4.1 |
| Government | 15,434 | 15,656 | 58 | 59 | 60 | 61 | 2.1 | 3.8 | 1.4 | 1.9 |
| Civilian labor force ³ | 98,591 | 101,615 | 444 | 444 | 437 | 437 | 3.2 | -1.4 | 3.1 | -1.6 |
| Total employed | 92,442 | 96,010 | 404 | 412 | 412 | 414 | 4.1 | 2.0 | 3.9 | 5 |
| Total unemployed | 6,149 | 5,605 | 40 | 32 | 26 | 23 | -9.8 | -35.7 | -8.8 | -28.5 |
| Percent unemployed | 6.2 | 5.5 | 9.0 | 7.2 | 5.9 | 5.2 | — — | — — | — — | — — |

1 Detail may not add to totals because of rounding.

2 Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

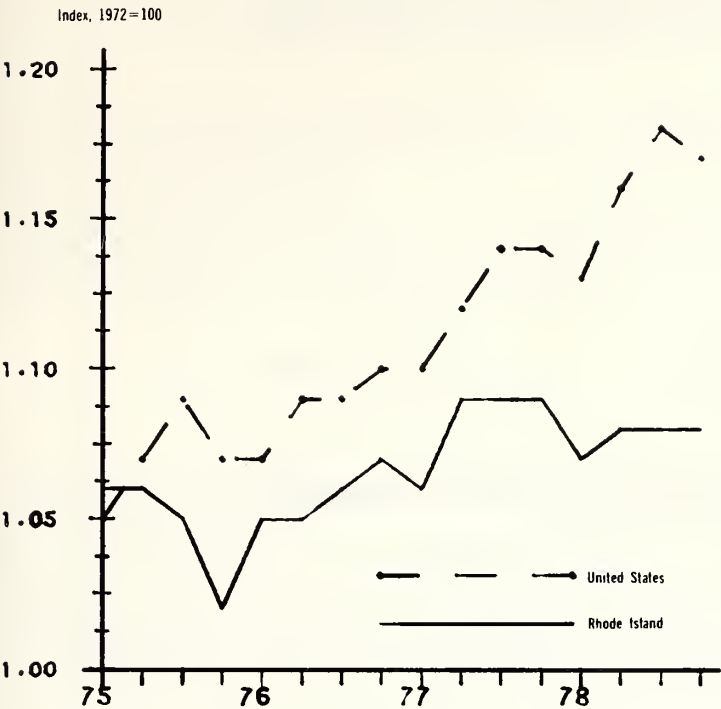


Chart 8.—Civilian Employment

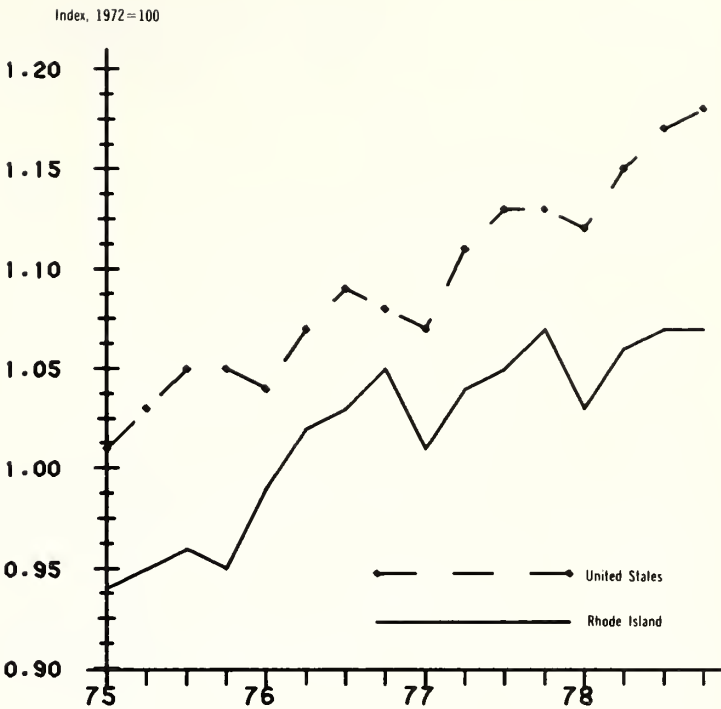


Chart 9.—Unemployment Rate

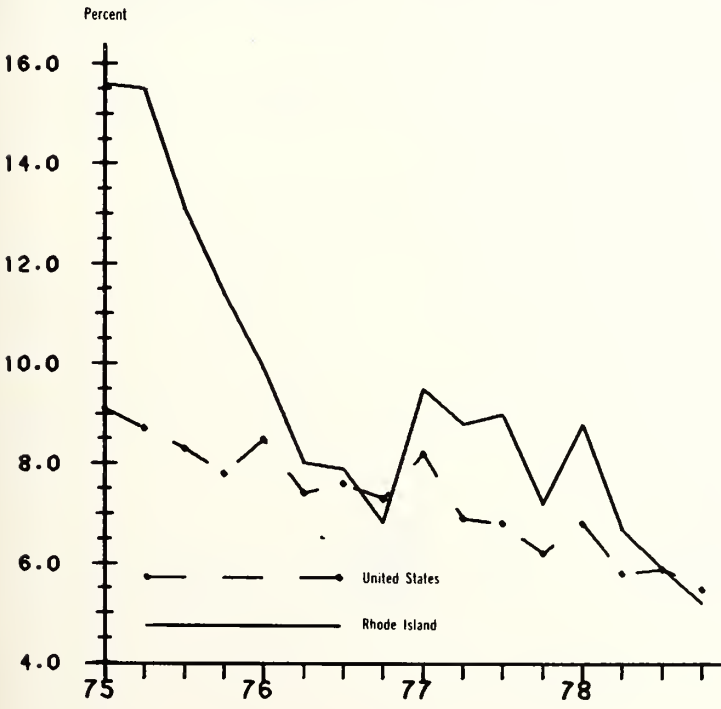
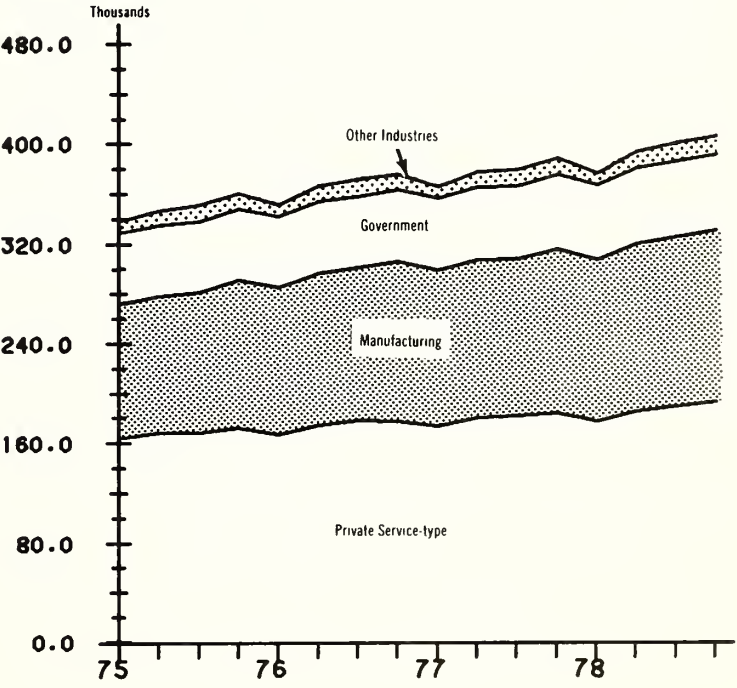


Chart 10.—Industrial Composition of Nonagricultural Employment: Rhode Island



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Rhode Island Through Fourth Quarter, 1978

| | United States | | | Rhode Island | | | U.S. | State | U.S. | State |
|------------------------------------|---|-------------|--------------|--------------|--------------|-------------|-----------------------------|----------------------|---------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:IV— 1978:IV | 1977:IV— 1978:IV |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 2,812 | 2,936 | 3,217 | n.a. | 16.3 | 14.4 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 820 | 882 | 1,024 | n.a. | 14.2 | 24.9 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 409 | 420 | 465 | n.a. | 20.2 | 13.8 | --- | --- |
| Real estate | 177,935 | n.a. | 1,432 | 1,469 | 1,546 | n.a. | 19.9 | 7.9 | --- | --- |
| Residential | 101,236 | n.a. | 895 | 903 | 927 | n.a. | 21.3 | 3.6 | --- | --- |
| Farms | 7,731 | n.a. | 1 | 1 | 1 | n.a. | 10.7 | 10.2 | --- | --- |
| Other | 68,968 | n.a. | 537 | 565 | 618 | n.a. | 19.0 | 15.1 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 0 | 0 | 0 | n.a. | 6.8 | -43.0 | --- | --- |
| Other | 69,947 | n.a. | 151 | 165 | 182 | n.a. | 8.0 | 20.5 | --- | --- |
| Total deposits | 925,511 | n.a. | 3,504 | 3,772 | 4,053 | n.a. | 11.5 | 15.7 | --- | --- |
| Demand | 377,683 | n.a. | 890 | 991 | 966 | n.a. | 10.2 | 8.5 | --- | --- |
| Time and savings | 547,828 | n.a. | 2,614 | 2,780 | 3,087 | n.a. | 12.3 | 18.1 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 7.7 percent in Rhode Island, lagging the national average gain by 9.1 percentage points (table 6). In 1978:IV, contracts in Rhode Island totaled \$140 million, for a gain over the year of \$10 million. All major construction categories except residential housekeeping were weak in the State.

Construction costs nationally increased about 13 percent; if this increase is representative of cost changes in Rhode Island, the real valuation of construction contracts declined about 5 percent, in contrast with a gain of about 4 percent in the Nation.

The valuation of contracts for additions and alterations to residential housekeeping units was little changed from year to year in the State, in sharp contrast with a gain of 14.6 percent in the Nation.

The valuation of nonresidential contracts was down 4.3 percent in the State versus a gain of 15.8 percent in the Nation.

The valuation of nonbuilding contracts increased 7.2 percent in the State and 22.2 percent in the Nation. Partly accounting for the weakness in the State was a decline of 43.8 percent in the valuation of street and highway contracts, compared with a national decline of 16.3 percent.

The valuation of residential housekeeping contracts increased 25.4 percent in the State, nearly 10 percentage points more than nationally. Only fifteen States had larger gains. The number of dwelling units started in the State was virtually unchanged, at 1,403 units. In the Nation, the number of dwelling units started was virtually unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

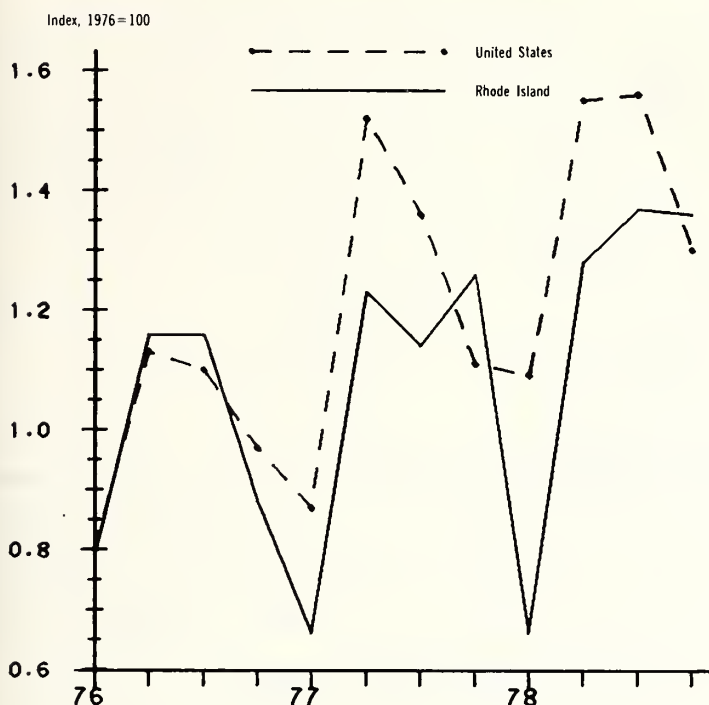


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Rhode Island

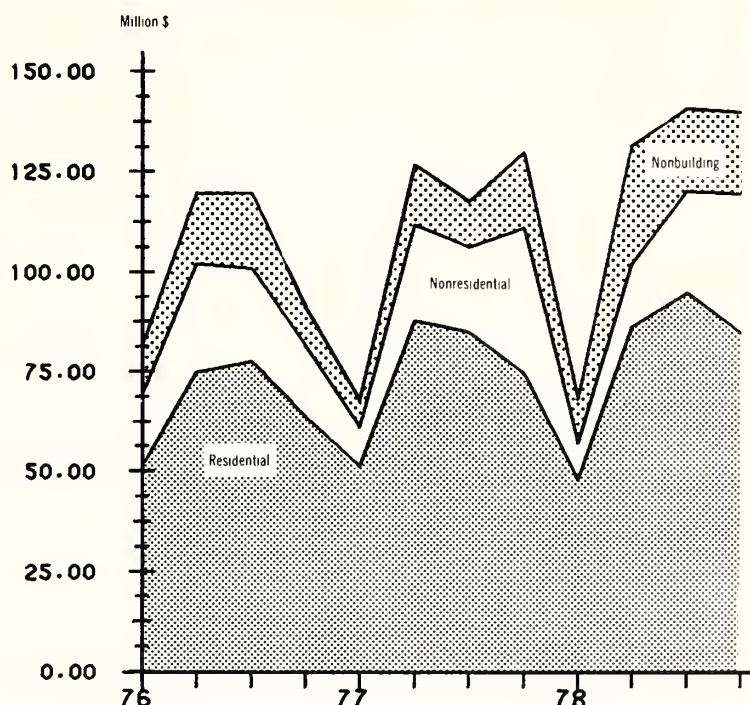


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

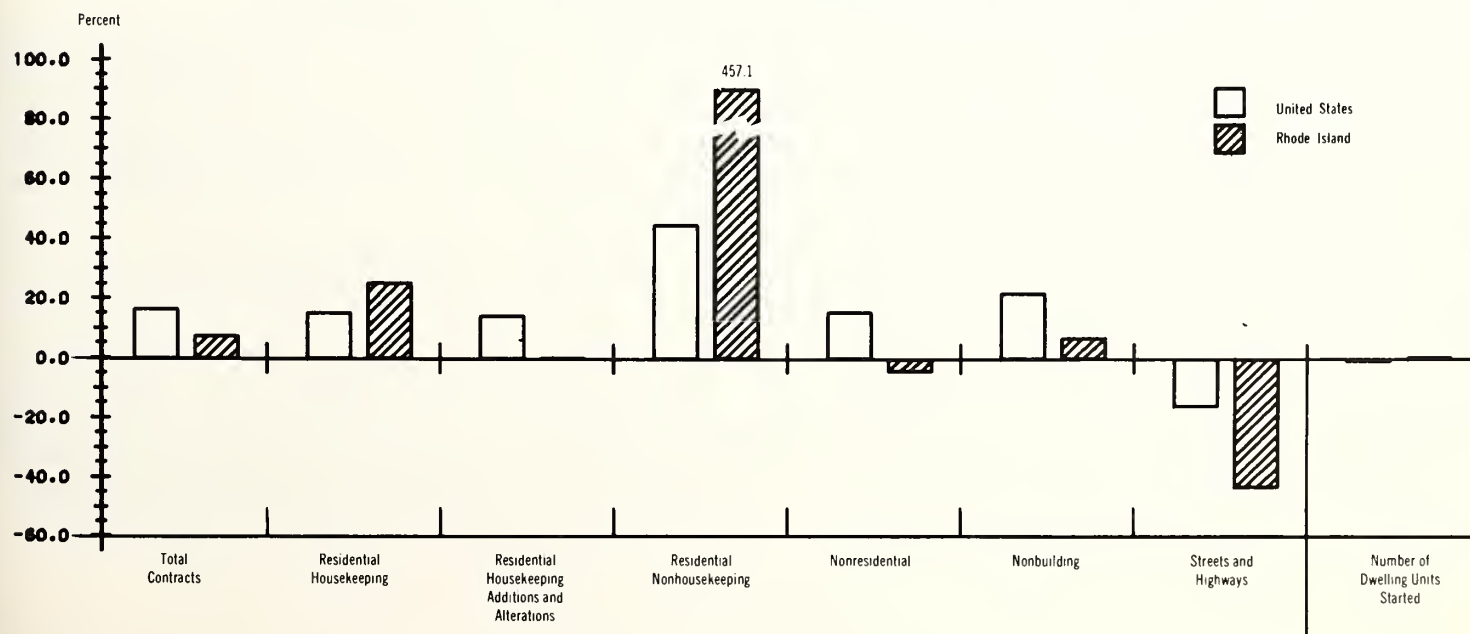


TABLE 6.—Construction Contracts, United States and Rhode Island Through Fourth Quarter, 1978¹

| | United States | | | Rhode Island | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|--------------|----------|---------|-----------------------------|---------------------|-------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 117,629 | 129,856 | 140,887 | 139,818 | 14.5 | 19.8 | 16.8 | 7.7 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 37,855 | 34,725 | 45,566 | 34,793 | 16.8 | 20.4 | 14.6 | .2 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 181 | 194 | 220 | 183 | 4.4 | 21.5 | -9.3 | -5.7 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 79,774 | 95,131 | 95,321 | 105,025 | 14.0 | 19.5 | 17.4 | 10.4 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 2,088 | 2,450 | 2,270 | 2,375 | 10.8 | 8.7 | 10.2 | -3.1 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 39 | 39 | 31 | 35 | -5.1 | -20.5 | -4.3 | -10.3 |
| Number of dwelling units | 445,772 | 443,075 | 1,694 | 1,394 | 1,346 | 1,403 | 1.0 | -20.5 | -6 | .6 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 47,036 | 39,704 | 49,316 | 49,790 | 15.3 | 4.8 | 15.6 | 25.4 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 1,645 | 1,420 | 1,588 | 1,687 | 10.3 | -3.4 | 10.7 | 18.8 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 2 | 1 | 0 | 1 | -10.0 | --- | -4 | .0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 24 | 7 | 0 | 39 | 9.4 | --- | 44.8 | 457.1 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 0 | 0 | 0 | 0 | -7 | --- | 24.7 | --- |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 82 | 79 | 86 | 88 | -2.5 | 4.9 | -12.0 | 11.4 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 21,359 | 36,555 | 25,388 | 34,979 | 27.6 | 18.9 | 15.8 | -4.3 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 444 | 1,030 | 682 | 688 | 12.2 | 53.7 | 8.9 | -33.2 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 58 | 75 | 103 | 59 | 22.4 | 77.6 | -9.1 | -21.3 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 11,355 | 18,865 | 20,617 | 20,217 | -1 | 81.6 | 22.2 | 7.2 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 13 | 18 | 34 | 10 | 9.3 | 161.5 | -17.8 | -44.4 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 2,313 | 5,970 | 7,871 | 3,354 | 3.0 | 240.3 | -16.3 | -43.8 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Rhode Island are not available.

TABLE 7.—Retail Sales, United States and Rhode Island Through Fourth Quarter, 1978

| | United States | | | Rhode Island | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|--------------|----------|---------|-----------------------|----------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Millions of dollars, not seasonally adjusted | | | | | | | Percent change | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods..... | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Rhode Island Through Fourth Quarter, 1978

| | United States | | | Rhode Island | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|--------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 482 | 495 | 495 | n.a. | 8.2 | 2.7 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 4 | 13 | 6 | n.a. | -9.5 | 50.0 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 334 | 2,924 | 853 | n.a. | -44.2 | 155.4 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 84 | 225 | 142 | n.a. | -38.4 | 69.0 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 3 | 0 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 0 | 3 | 1 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 1 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 4 | 5 | 4 | n.a. | -4.2 | .0 | --- | --- |
| Commercial services | 238 | n.a. | 0 | 1 | 1 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 12.2% vs. 12.6% in U.S., to \$19.0 billion
- Payrolls up 9.2% in nondurables manufacturing vs. 10.0% in U.S.
- Payrolls down 1.3% in Federal Government vs. 7.1% increase in U.S.

Consumer prices

- Up 7.8% in Atlanta vs. 8.9% in U.S.

Employment

- Up 1.8% vs. 3.9% in U.S., to 1.2 million

Unemployment

- Down 12,000, to 72,000
- Rate down to 5.5% of labor force, the same as nationally

Construction

- Total valuation of contracts up 20.2% vs. 16.8% in U.S., to \$576.1 million
- Number of dwelling-unit starts up 27.0% vs. near stability in U.S., to 8,130

TABLE 1.—Summary of Economic Indicators, United States and South Carolina Through Fourth Quarter, 1978

| | United States | | | South Carolina | | | U.S. | State | U.S. | State |
|--|--|------------|----------|----------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 16,343 | 16,924 | 18,456 | 18,987 | 12.4 | 12.9 | 12.6 | 12.2 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 10,898 | 11,293 | 12,180 | 12,529 | 12.1 | 11.8 | 12.6 | 10.9 |
| Civilian employment (thousands) | 92,442 | 96,010 | 1,210 | 1,204 | 1,246 | 1,225 | 4.1 | 2.9 | 3.9 | 1.8 |
| Unemployment (thousands) | 6,149 | 5,605 | 96 | 84 | 79 | 72 | -9.8 | -17.3 | -8.8 | -14.6 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 7.3 | 6.5 | 6.0 | 5.5 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 3,023 | 3,119 | 3,459 | n.a. | 16.3 | 14.4 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 4,733 | 4,967 | 5,173 | n.a. | 11.5 | 9.3 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 488,219 | 479,214 | 569,063 | 576,125 | 14.5 | 16.6 | 16.8 | 20.2 |
| Dwelling units started (number) | 445,772 | 443,075 | 7,271 | 6,401 | 6,347 | 8,130 | 1.0 | -12.7 | -6 | 27.0 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number)..... | 109,411 | n.a. | 1,494 | 907 | 582 | n.a. | 8.2 | -61.0 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 9 | 0 | 2 | n.a. | -9.5 | -77.8 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Atlanta | --- | --- | 183.0 | 184.5 | 195.2 | 198.8 | --- | 6.7 | --- | 7.8 |

n.a.: Data not available.

Source: See tables 2 through 8.

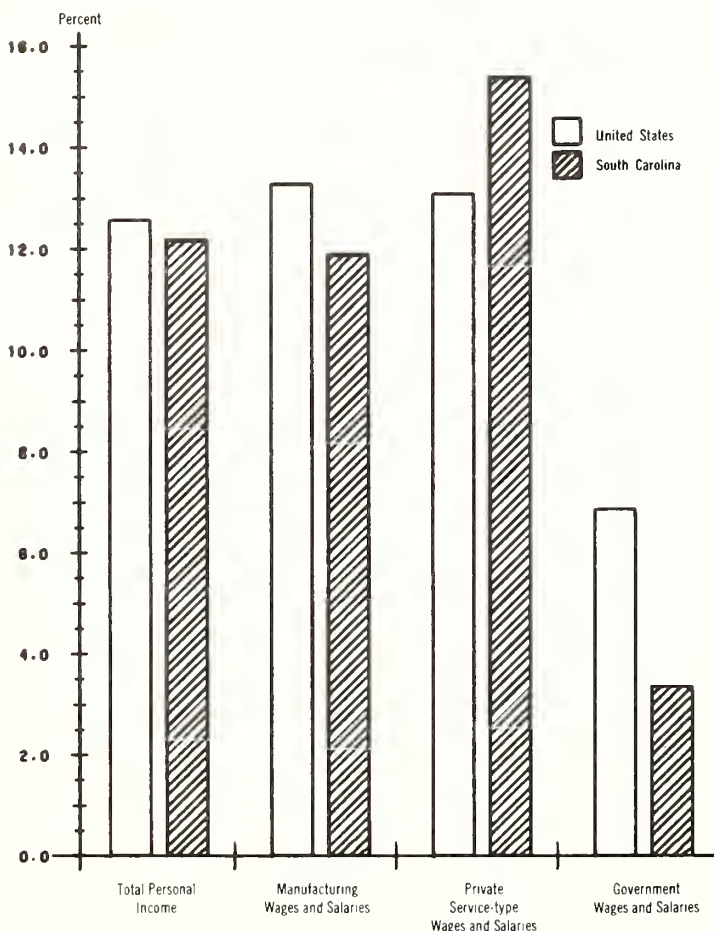
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.2 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, the State's personal income totaled \$19.0 billion, up \$2.1 billion since 1977:IV. South Carolina's increase in total personal income would have been smaller had it not been for a 75.3-percent increase in farm personal income, one of the largest in the Nation, compared with a national increase of 26.3 percent. The State's nonfarm personal income increased 11.3 percent from year to year versus 12.3 percent nationally. Since the most recent national business cycle peak in 1973:IV, South Carolina's nonfarm economy has grown somewhat more rapidly than the Nation's; the increase in the State's nonfarm income was 5 percent more than nationally, ranking South Carolina 27th among all States.

From 1977:IV to 1978:IV, the **Consumer Price Index** for the Atlanta metropolitan area increased 7.8 percent versus an 8.9-percent national city average increase (table 3). If Atlanta's index is used as an indicator for price movements in the State, real total personal income in South Carolina increased 4.4 percent from year to year versus 3.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 10.9 percent in the State, 1.7 percentage points less than nationally. South Carolina's increase was one of the smallest in the Nation.

Payrolls in nondurable goods (mainly textiles) manufacturing, which accounted for a large share of South Carolina's total payrolls in 1978:IV, increased 9.2 percent from year to year versus 10.0 percent nationally. In contrast, durable goods manufacturing payrolls increased 18.3 percent in the State versus 15.2 percent nationally.

Federal Government payrolls declined 1.3 percent from year to year, compared with a national increase of 7.1 percent. South Carolina's decline was exceeded only by the 1.9-percent decline in Montana. State and local government payrolls, in contrast, increased 7.8 percent in South Carolina, 1.0 percentage point more than nationally.

Payrolls in the State's construction industry increased only 10.1 percent, one of the smallest increases in the Nation. The national increase in construction payrolls was twice South Carolina's.

Within the State's private service-type payrolls, all components registered rates of increase that exceeded those of national counterparts. The payroll increase in the transportation-communication-public utilities group was especially large, 17.5 percent, compared with a national increase of 11.3 percent. South Carolina's increase was the third largest in the Nation, after increases of 18.8 percent in Nevada and 17.7 percent in Washington. Trade payrolls in the State increased 15.4 percent versus 14.1 percent nationally, and services payrolls increased 14.9 percent versus 12.7 percent nationally. In finance-insurance-real estate, payrolls increased 13.9 percent in the State versus 13.2 percent nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 33.1 percent in South Carolina and 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

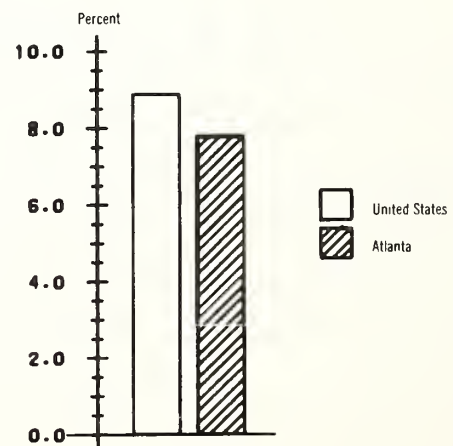


Chart 3.—Total Personal Income
[Seasonally adjusted]

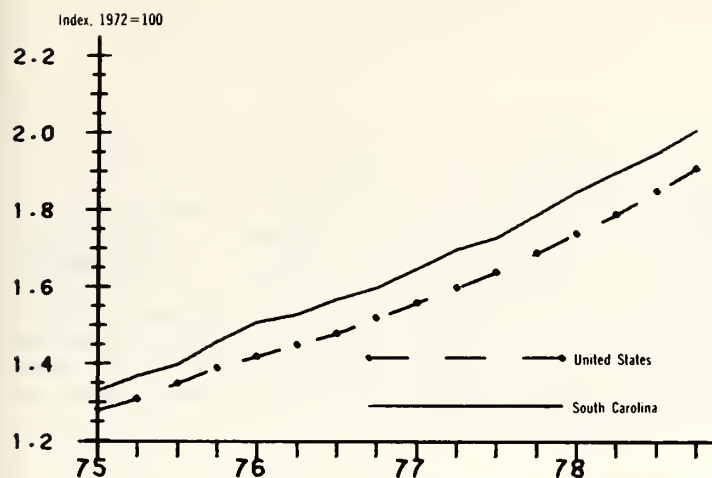


Chart 4.—Industrial Composition of Wages and Salaries: South Carolina
[Seasonally adjusted]

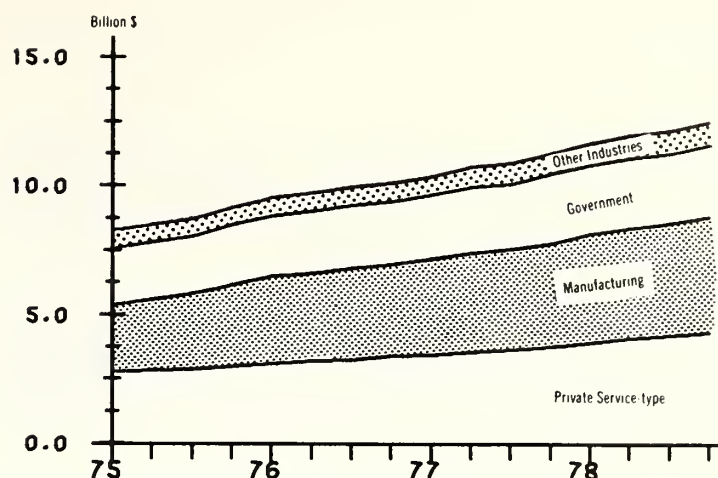


TABLE 2.—Personal Income, United States and South Carolina Through Fourth Quarter, 1978

| | United States | | | South Carolina | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|----------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates¹ | | | | | | Percent change² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 16,343 | 16,924 | 18,456 | 18,987 | 12.4 | 12.9 | 12.6 | 12.2 |
| Farm personal income | 31,224 | 39,451 | 166 | 228 | 375 | 400 | 47.9 | 126.2 | 26.3 | 75.3 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 16,177 | 16,696 | 18,081 | 18,587 | 11.9 | 11.8 | 12.3 | 11.3 |
| Total personal income | 1,583,508 | 1,782,519 | 16,343 | 16,924 | 18,456 | 18,987 | 12.4 | 12.9 | 12.6 | 12.2 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 10,898 | 11,293 | 12,180 | 12,529 | 12.1 | 11.8 | 12.6 | 10.9 |
| Other labor income | 96,016 | 111,719 | 901 | 943 | 1,060 | 1,094 | 17.0 | 17.8 | 16.4 | 16.1 |
| Proprietors' income | 105,953 | 125,995 | 914 | 988 | 1,213 | 1,265 | 21.5 | 32.7 | 18.9 | 28.1 |
| Farm | 23,636 | 31,044 | 86 | 146 | 288 | 310 | 66.6 | 235.8 | 31.3 | 112.8 |
| Nonfarm | 82,317 | 94,951 | 828 | 842 | 925 | 955 | 12.8 | 11.7 | 15.3 | 13.4 |
| Dividends, interest, and rent | 214,992 | 242,442 | 1,813 | 1,854 | 2,042 | 2,105 | 12.3 | 12.6 | 12.8 | 13.5 |
| Transfer payments | 215,944 | 233,750 | 2,292 | 2,329 | 2,514 | 2,554 | 8.8 | 9.7 | 8.2 | 9.7 |
| State unemployment insurance benefits | 11,128 | 7,753 | 93 | 86 | 64 | 58 | -24.0 | -31.3 | -30.3 | -33.1 |
| Less: personal contributions | 62,212 | 71,610 | 681 | 694 | 782 | 794 | 14.8 | 14.8 | 15.1 | 14.4 |
| Plus: residence adjustment | -401 | -473 | 206 | 212 | 228 | 234 | -- | -- | -- | -- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 10,898 | 11,293 | 12,180 | 12,529 | 12.1 | 11.8 | 12.6 | 10.9 |
| Farm | 7,176 | 7,939 | 78 | 81 | 84 | 88 | 8.5 | 8.4 | 10.6 | 9.0 |
| Nonfarm | 1,006,040 | 1,132,757 | 10,821 | 11,213 | 12,096 | 12,441 | 12.1 | 11.8 | 12.6 | 11.0 |
| Mining | 14,048 | 18,813 | 20 | 20 | 24 | 25 | 26.5 | 19.1 | 33.9 | 22.7 |
| Construction | 55,648 | 66,858 | 659 | 668 | 749 | 735 | 19.1 | 13.6 | 20.1 | 10.1 |
| Manufacturing | 276,112 | 312,970 | 3,874 | 3,999 | 4,354 | 4,476 | 12.1 | 12.4 | 13.3 | 11.9 |
| Durable goods | 176,216 | 203,053 | 1,131 | 1,186 | 1,313 | 1,403 | 13.7 | 16.1 | 15.2 | 18.3 |
| Nondurable goods | 99,896 | 109,917 | 2,743 | 2,814 | 3,041 | 3,073 | 9.4 | 10.9 | 10.0 | 9.2 |
| Private service-type | 455,764 | 515,348 | 3,684 | 3,784 | 4,222 | 4,367 | 12.8 | 14.6 | 13.1 | 15.4 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 602 | 621 | 697 | 729 | 10.4 | 15.9 | 11.3 | 17.5 |
| Wholesale and retail trade | 170,888 | 195,035 | 1,509 | 1,556 | 1,731 | 1,795 | 13.6 | 14.7 | 14.1 | 15.4 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 408 | 426 | 475 | 486 | 14.1 | 16.3 | 13.2 | 13.9 |
| Services | 153,840 | 173,396 | 1,165 | 1,181 | 1,318 | 1,357 | 12.6 | 13.2 | 12.7 | 14.9 |
| Government | 201,252 | 215,083 | 2,547 | 2,704 | 2,704 | 2,795 | 7.4 | 6.2 | 6.9 | 3.4 |
| Federal | 68,176 | 73,003 | 1,189 | 1,302 | 1,233 | 1,285 | 7.3 | 3.8 | 7.1 | -1.3 |
| State and local | 133,076 | 142,080 | 1,359 | 1,402 | 1,471 | 1,511 | 7.5 | 8.3 | 6.8 | 7.8 |
| Other | 3,216 | 3,685 | 36 | 38 | 43 | 43 | 18.7 | 19.9 | 14.6 | 14.5 |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and South Carolina Through Fourth Quarter, 1978¹

| | United States | | | South Carolina | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|----------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977 IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Atlanta..... | --- | --- | 183.0 | 184.5 | 195.2 | 198.8 | --- | 6.7 | --- | 7.8 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, South Carolina's **civilian labor force** increased only 0.7 percent versus 3.1 percent nationally (table 4). South Carolina's increase was exceeded in 45 States. **Total employment** increased 1.8 percent versus 3.9 percent nationally, to more than 1.2 million. The State's increase ranked 43rd in the Nation.

With employment increasing by about 21,000 and the labor force increasing by about 10,000, the number of **unemployed** declined by between 11,000 and 12,000, to 72,000. South Carolina's **unemployment rate** declined 1.0 percentage point, to 5.5 percent of the State's labor force. The national unemployment rate in 1978:IV was also 5.5 percent, down 0.7 percentage point from the 1977:IV level.

According to preliminary data for December 1978, the unemployment rate was 4.9 percent for the State as a whole and 5.4 percent for Charleston-North Charleston, 3.8 percent for Columbia, and 3.4 percent for Greenville-Spartanburg. These data indicate that unemployment rates were generally lower in the industrialized Piedmont and mountain sections of the State than in the agricultural coastal plains. From December 1977 to December 1978, the unemployment rate declined 1.9 percentage points in Greenville-Spartanburg, compared with a decline of 1.2 percentage points statewide; Greenville-Spartanburg's decline was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: South Carolina

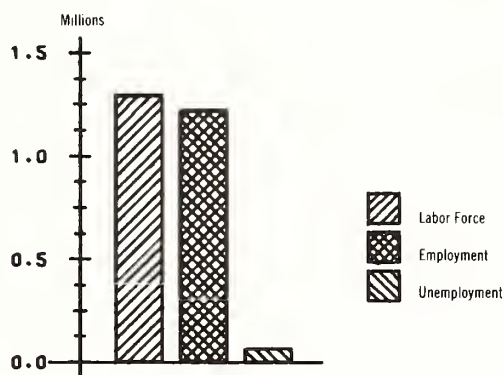


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

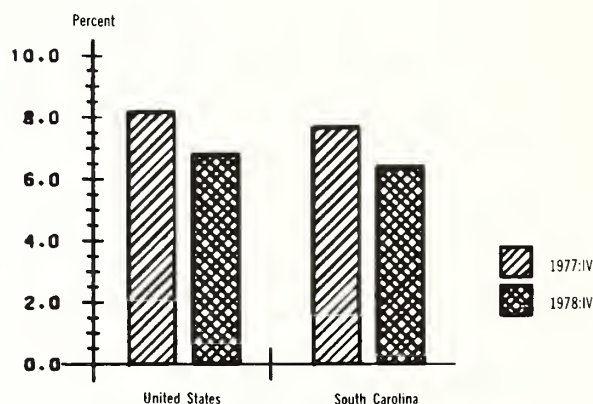


TABLE 4.—Labor Force, United States and South Carolina Through Fourth Quarter, 1978

| | United States | | | South Carolina | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,085 | 1,101 | 1,116 | 1,129 | 4.3 | 2.9 | 4.2 | 2.5 |
| Mining | 787 | 899 | 2 | 2 | 2 | 2 | 8.2 | .0 | 14.2 | .0 |
| Construction | 4,032 | 4,488 | 69 | 69 | 74 | 72 | 10.4 | 6.5 | 11.3 | 3.9 |
| Manufacturing | 19,986 | 20,722 | 381 | 385 | 385 | 388 | 3.1 | .9 | 3.7 | .9 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 46 | 46 | 49 | 50 | 3.8 | 6.3 | 4.4 | 8.8 |
| Wholesale and retail trade | 19,152 | 20,015 | 204 | 205 | 211 | 212 | 5.3 | 3.3 | 4.5 | 3.4 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 42 | 42 | 45 | 44 | 4.8 | 6.5 | -2.0 | 6.0 |
| Services | 15,539 | 16,215 | 138 | 134 | 142 | 139 | 4.6 | 3.1 | 4.4 | 3.4 |
| Government | 15,434 | 15,656 | 203 | 220 | 210 | 223 | 2.1 | 3.4 | 1.4 | 1.4 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,306 | 1,287 | 1,325 | 1,297 | 3.2 | 1.4 | 3.1 | .7 |
| Total employed | 92,442 | 96,010 | 1,210 | 1,204 | 1,246 | 1,225 | 4.1 | 2.9 | 3.9 | 1.8 |
| Total unemployed | 6,149 | 5,605 | 96 | 84 | 79 | 72 | -9.8 | -17.3 | -8.8 | -14.6 |
| Percent unemployed | 6.2 | 5.5 | 7.3 | 6.5 | 6.0 | 5.5 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

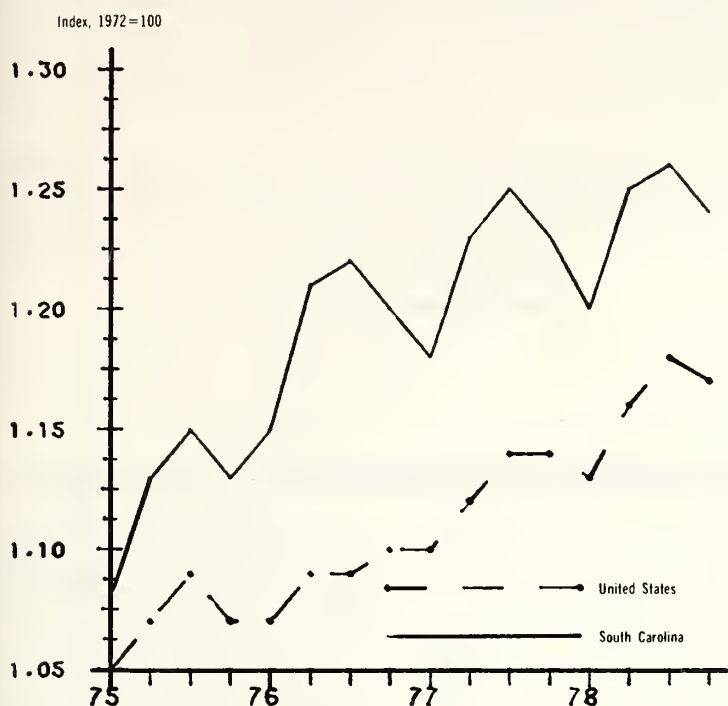


Chart 8.—Civilian Employment

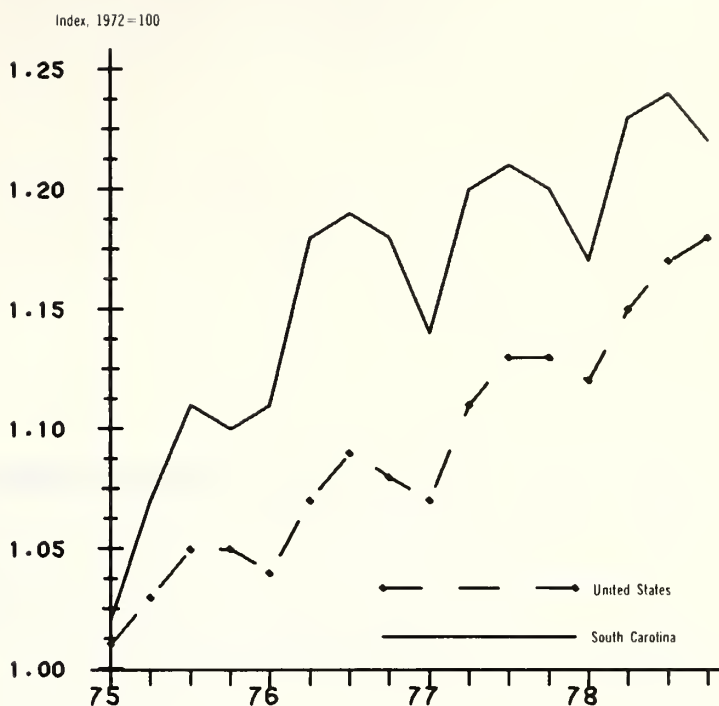


Chart 9.—Unemployment Rate

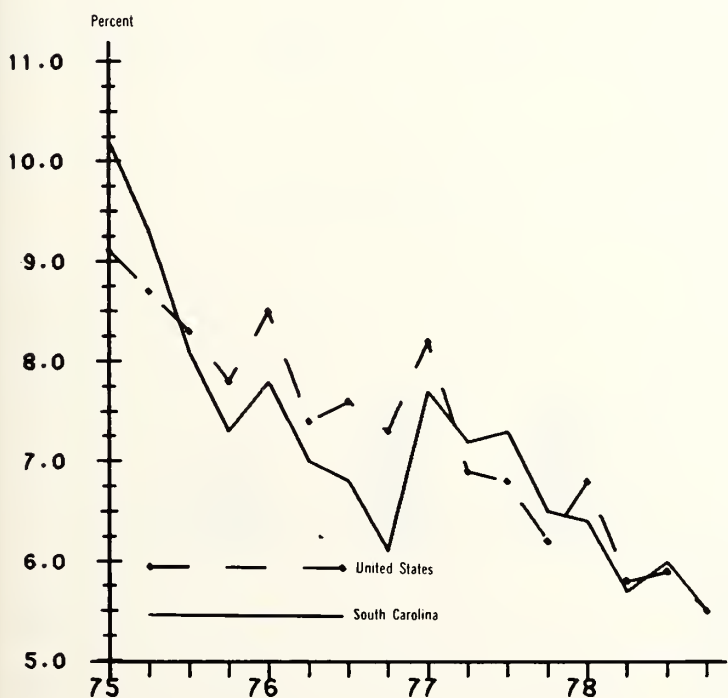
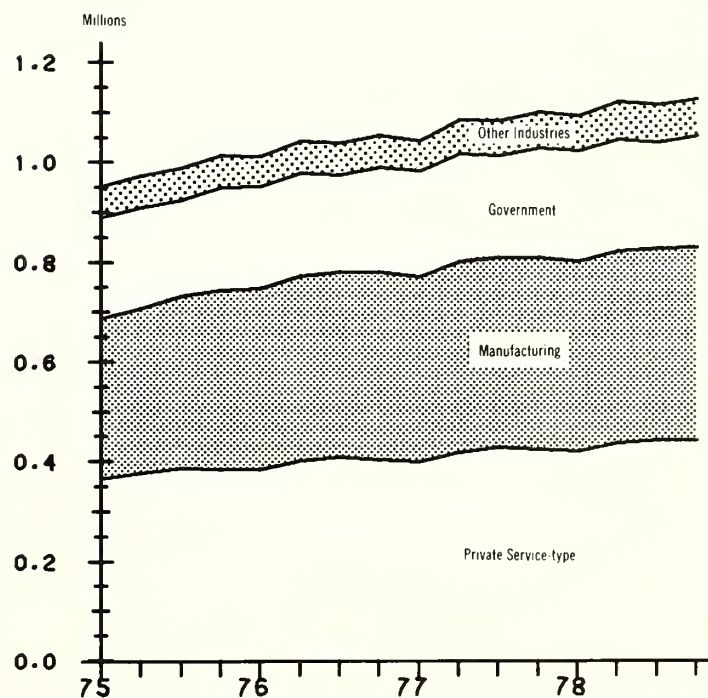


Chart 10.—Industrial Composition of Nonagricultural Employment: South Carolina



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and South Carolina Through Fourth Quarter, 1978

| | United States | | | South Carolina | | | U.S. | State | U.S. | State |
|------------------------------------|---|-------------|--------------|----------------|--------------|-------------|-----------------------------|-------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 3,023 | 3,119 | 3,459 | n.a. | 16.3 | 14.4 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 806 | 841 | 875 | n.a. | 14.2 | 8.6 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 1,295 | 1,359 | 1,545 | n.a. | 20.2 | 19.3 | --- | --- |
| Real estate | 177,935 | n.a. | 733 | 740 | 862 | n.a. | 19.9 | 17.5 | --- | --- |
| Residential | 101,236 | n.a. | 282 | 292 | 344 | n.a. | 21.3 | 21.8 | --- | --- |
| Farms | 7,731 | n.a. | 46 | 47 | 48 | n.a. | 10.7 | 5.6 | --- | --- |
| Other | 68,968 | n.a. | 405 | 401 | 470 | n.a. | 19.0 | 15.8 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 86 | 73 | 77 | n.a. | 6.8 | -10.5 | --- | --- |
| Other | 69,947 | n.a. | 103 | 106 | 100 | n.a. | 8.0 | -2.3 | --- | --- |
| Total deposits | 925,511 | n.a. | 4,733 | 4,967 | 5,173 | n.a. | 11.5 | 9.3 | --- | --- |
| Demand | 377,683 | n.a. | 2,480 | 2,680 | 2,712 | n.a. | 10.2 | 9.4 | --- | --- |
| Time and savings | 547,828 | n.a. | 2,253 | 2,287 | 2,461 | n.a. | 12.3 | 9.2 | --- | --- |

1 Detail may not add to totals because of rounding.

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 20.2 percent (\$96.9 million), to \$576.1 million (table 6). The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the real increase in the total valuation of contracts in South Carolina was about 7 percent versus about 4 percent nationally.

Residential housekeeping contracts increased 31.0 percent in valuation versus 15.6 percent nationally. The number of dwelling units started increased 27.0 percent (1,729 units), to 8,130 units. The State's percent increase was one of the largest in the Nation. Nationally, in contrast, the

number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased 31.5 percent in valuation in the State, more than twice as fast as nationally. South Carolina's increase was one of the largest in the Nation.

Nonresidential contracts increased 7.3 percent in valuation versus 15.8 percent nationally.

The valuation of nonbuilding contracts increased 6.3 percent, compared with 22.2 percent nationally. Street and highway contracts, a major component of nonbuilding contracts, declined 1.6 percent versus a decline of 16.3 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

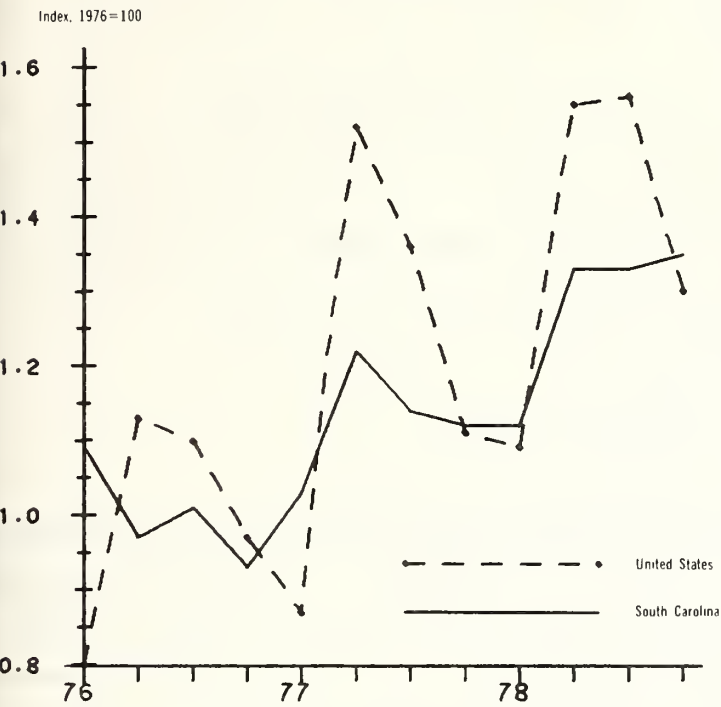


Chart 15.—Construction Contracts—Valuation of Contracts by Type: South Carolina

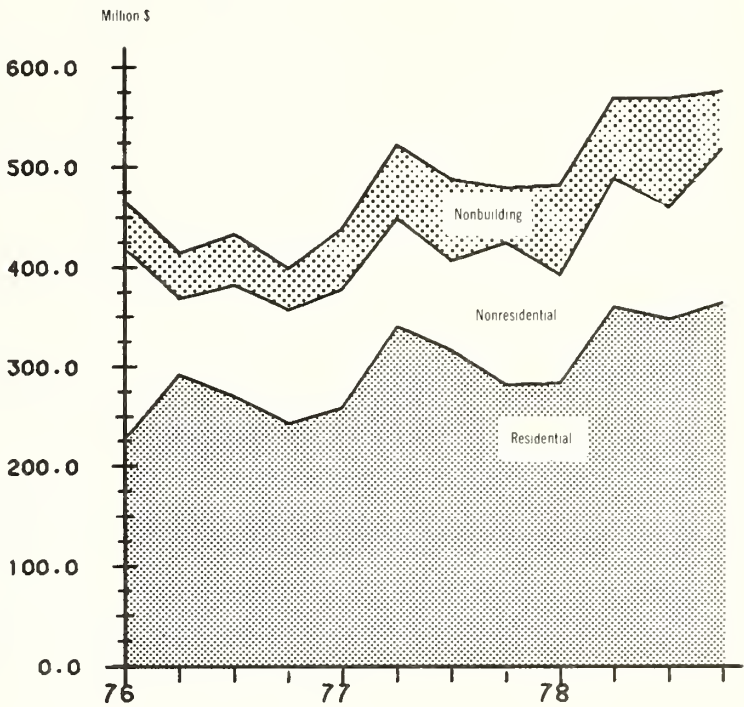


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

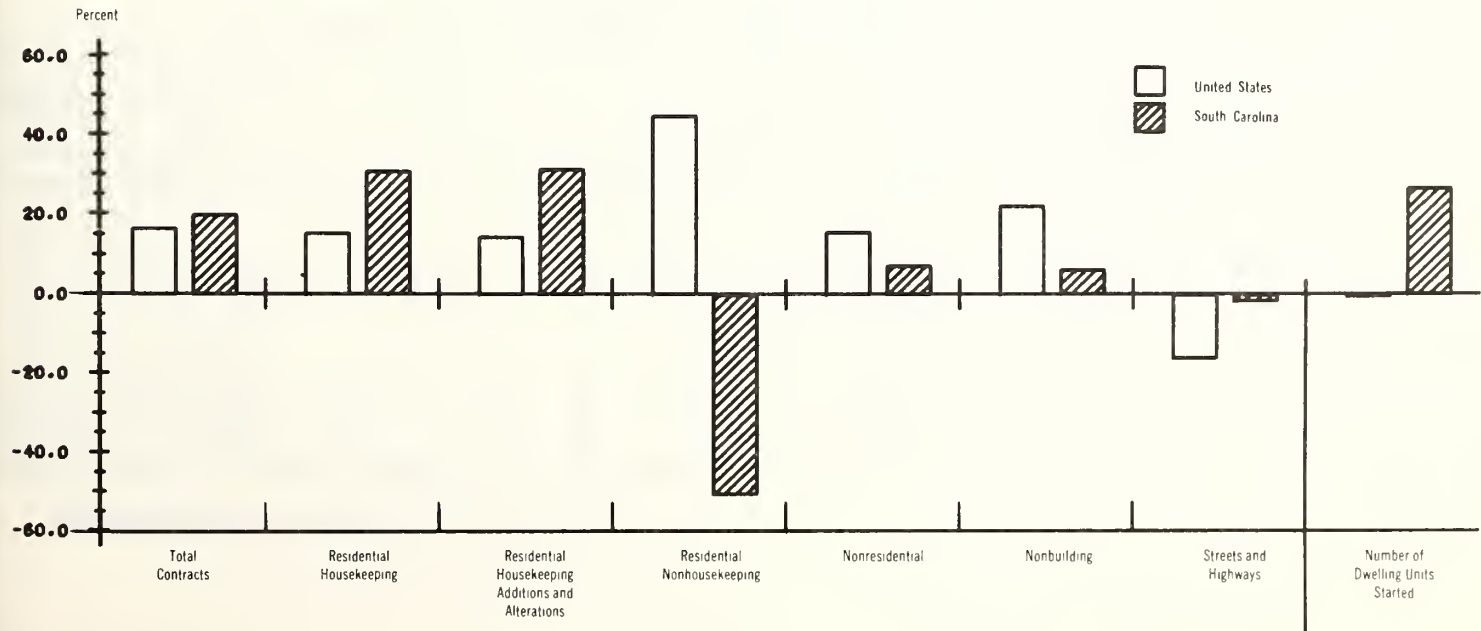


TABLE 6.—Construction Contracts, United States and South Carolina Through Fourth Quarter, 1978¹

| | United States | | | South Carolina | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|----------------|----------------|----------------|----------------|-----------------------------|-------------|---------------------|-------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 488,219 | 479,214 | 569,063 | 576,125 | 14.5 | 16.6 | 16.8 | 20.2 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 101,568 | 83,362 | 118,285 | 109,651 | 16.8 | 16.5 | 14.6 | 31.5 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 818 | 811 | 933 | 758 | 4.4 | 14.1 | -9.3 | -6.5 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 386,651 | 395,852 | 450,778 | 466,474 | 14.0 | 16.6 | 17.4 | 17.8 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 13,861 | 14,306 | 15,531 | 17,709 | 10.8 | 12.1 | 10.2 | 23.8 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 185 | 193 | 189 | 218 | -5.1 | 2.2 | -4.3 | 13.0 |
| Number of dwelling units | 445,772 | 443,075 | 7,271 | 6,401 | 6,347 | 8,130 | 1.0 | -12.7 | -6 | 27.0 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 209,050 | 192,558 | 223,264 | 252,191 | 15.3 | 6.8 | 15.6 | 31.0 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 10,698 | 9,732 | 10,901 | 12,530 | 10.3 | 1.9 | 10.7 | 28.7 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 17 | 16 | 7 | 9 | -10.0 | -58.8 | -4 | -43.7 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 5,694 | 5,732 | 5,582 | 2,821 | 9.4 | -2.0 | 44.8 | -50.8 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 116 | 137 | 134 | 84 | -7 | 15.6 | 24.7 | -38.6 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 421 | 394 | 462 | 358 | -2.5 | 9.7 | -12.0 | -9.1 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 90,174 | 143,349 | 112,878 | 153,823 | 27.6 | 25.2 | 15.8 | 7.3 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 3,047 | 4,437 | 4,496 | 5,095 | 12.2 | 47.6 | 8.9 | 14.8 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 195 | 208 | 275 | 173 | 22.4 | 41.0 | -9.1 | -16.8 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 81,733 | 54,213 | 109,054 | 57,639 | -1 | 33.4 | 22.2 | 6.3 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 60 | 45 | 82 | 56 | 9.3 | 36.7 | -17.8 | 24.4 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 17,085 | 24,679 | 26,446 | 24,279 | 3.0 | 54.8 | -16.3 | -1.6 |

1. Contracts started or expected to start within 60 days.
 2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
 NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for South Carolina are not available.

TABLE 7.—Retail Sales, United States and South Carolina Through Fourth Quarter, 1978

| | United States | | | South Carolina | | | U.S. | State | U.S. | State |
|---------------------------|--|----------------|-------------|----------------|-------------|-------------|-----------------------|------------|---------------------|------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a. Data not available.

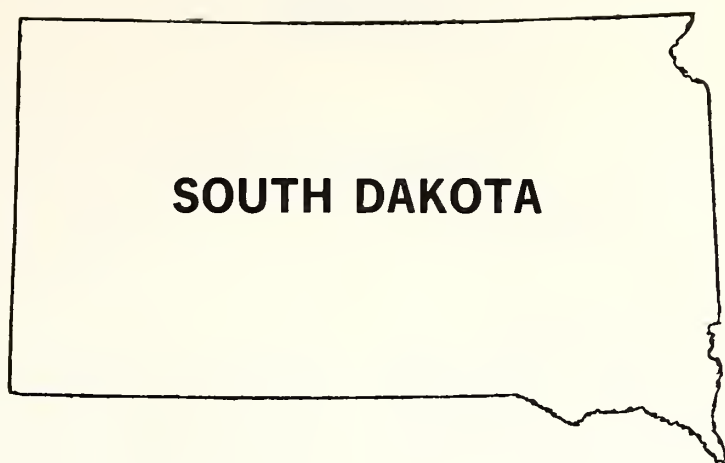
Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and South Carolina Through Fourth Quarter, 1978

| | United States | | | South Carolina | | | U.S. | State | U.S. | State |
|---|-------------------------|-------------|--------------|----------------|------------|-------------|-----------------------|--------------|---------------------|------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 1,494 | 907 | 582 | n.a. | 8.2 | -61.0 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 9 | 0 | 2 | n.a. | -9.5 | -77.8 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 2,291 | 0 | 23,034 | n.a. | -44.2 | 905.4 | --- | --- |
| Average liability per failure (thousands of dollars) .. | 288 | n.a. | 255 | 0 | 11,517 | n.a. | -38.4 | *** | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 0 | 0 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 5 | 0 | 1 | n.a. | 1.0 | -80.0 | --- | --- |
| Wholesale trade | 191 | n.a. | 1 | 0 | 1 | n.a. | -27.1 | .0 | --- | --- |
| Retail trade | 688 | n.a. | 3 | 0 | 0 | n.a. | -4.2 | --- | --- | --- |
| Commercial services | 238 | n.a. | 0 | 0 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.
 Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 9.3% vs. 12.6% in U.S., to \$5.0 billion
- Farm personal income down 1.5% vs. 26.3% increase in U.S.
- Payrolls up 13.4% in trade vs. 14.1% in U.S. and 12.1% in services vs. 12.7% in U.S.

Employment

- Up 3.6% vs. 3.9% in U.S., to 314,000

Unemployment

- Up slightly, to 8,000
- Rate up slightly, to 2.6% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 52.4% vs. 16.8% in U.S., to \$247.2 million
- Valuation of street and highway contracts up almost tenfold vs. a 16.3% decline in U.S.
- Number of dwelling-unit starts down 17.3% vs. near stability in U.S., to 1,439

TABLE 1.—Summary of Economic Indicators, United States and South Dakota Through Fourth Quarter, 1978

| | United States | | | South Dakota | | | U.S. | State | U.S. | State |
|--|---------------|------------|----------|--------------|----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| All indicators, except income, not seasonally adjusted | | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 4,170 | 4,591 | 4,617 | 5,019 | 12.4 | 10.7 | 12.6 | 9.3 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 2,063 | 2,108 | 2,288 | 2,367 | 12.1 | 10.9 | 12.6 | 12.3 |
| Civilian employment (thousands) | 92,442 | 96,010 | 325 | 303 | 330 | 314 | 4.1 | 1.7 | 3.9 | 3.6 |
| Unemployment (thousands) | 6,149 | 5,605 | 9 | 8 | 10 | 8 | -9.8 | 13.1 | -8.8 | 8.2 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 2.7 | 2.5 | 3.0 | 2.6 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 2,262 | 2,340 | 2,591 | n.a. | 16.3 | 14.5 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 3,310 | 3,443 | 3,600 | n.a. | 11.5 | 8.8 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 158,482 | 162,170 | 171,591 | 247,213 | 14.5 | 8.3 | 16.8 | 52.4 |
| Dwelling units started (number) | 445,772 | 443,075 | 2,084 | 1,741 | 2,282 | 1,439 | 1.0 | 9.5 | -6 | -17.3 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 236 | 231 | 211 | n.a. | 8.2 | -10.6 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 8 | 11 | 6 | n.a. | -9.5 | -25.0 | --- | --- |
| Consumer Price Index (1967=100): U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

n.a.: Data not available.

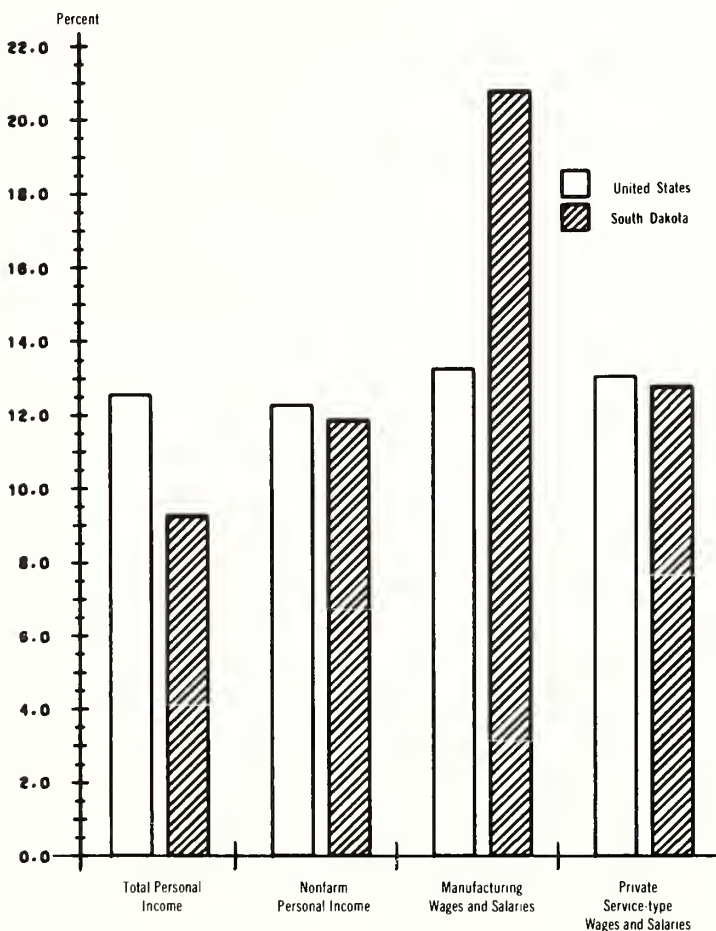
Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 9.3 percent from 1977:IV to 1978:IV, 3.3 percentage points less than nationally (table 2). South Dakota's increase was one of the smallest in the Nation, exceeding increases in only Alaska and the District of Columbia. In 1978:IV, South Dakota's personal income totaled \$5.0 billion, up \$428 million since 1977:IV. The State's increase in total personal income would have been larger had it not been for a 1.5-percent decline in farm personal income, compared with a 26.3-percent national increase. The State's nonfarm personal income increased 11.9 percent from year to year, 0.4 percentage point less than nationally. In contrast, since the most recent national business cycle peak in 1973:IV, South Dakota's nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 7 percent more than nationally, ranking South Dakota 26th among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]



From 1977:IV to 1978:IV, **wage and salary disbursements** (payrolls) increased 12.3 percent in the State versus 12.6 percent nationally. In 1978:IV, they totaled \$2.4 billion, up \$259 million since 1977:IV.

South Dakota's trade payrolls, which accounted for over one-fifth of the State's total payrolls in 1978:IV, increased 13.4 percent from year to year, 0.7 percentage point less than nationally. Similarly, services payrolls increased 12.1 percent in the State versus 12.7 percent nationally. In contrast, payrolls in transportation-communication-public utilities increased 11.5 percent versus 11.3 percent nationally, and payrolls in finance-insurance-real estate increased 14.2 percent versus 13.2 percent nationally.

Federal Government payrolls increased 5.7 percent in South Dakota, 1.4 percentage points less than nationally. State and local government payrolls increased 6.3 percent, 0.5 percentage point less than nationally. Construction payrolls increased 17.2 percent from year to year, versus 20.1 percent nationally.

Unlike most of South Dakota's industries, the State's manufacturing industry registered sharp payroll increases from year to year. Durable goods manufacturing payrolls increased 31.8 percent in the State, over twice as much as nationally. South Dakota's increase ranked second in the Nation, after Nevada's 35.3-percent increase. Nondurable goods manufacturing payrolls increased 12.2 percent versus 10.0 percent nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 29.2 percent in South Dakota and 30.3 percent throughout the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

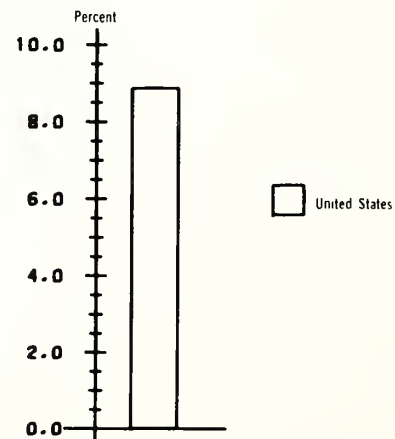


Chart 3.—Total Personal Income
[Seasonally adjusted]

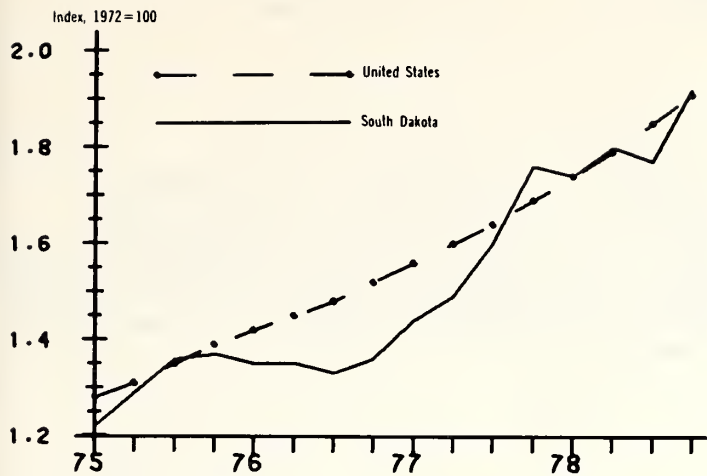


Chart 4.—Industrial Composition of Wages and Salaries: South Dakota
[Seasonally adjusted]

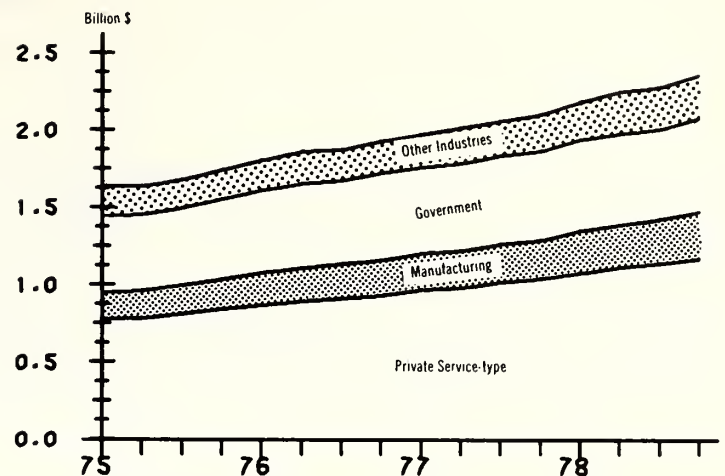


TABLE 2.—Personal Income, United States and South Dakota Through Fourth Quarter, 1978

| | United States | | | South Dakota | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|--------------|----------|---------|-----------------------------|-------|----------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III - 1978:III | | 1977:IV - 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 4,170 | 4,591 | 4,617 | 5,019 | 12.4 | 10.7 | 12.6 | 9.3 |
| Farm personal income | 31,224 | 39,451 | 549 | 886 | 597 | 873 | 47.9 | 8.8 | 26.3 | -1.5 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 3,622 | 3,705 | 4,020 | 4,146 | 11.9 | 11.0 | 12.3 | 11.9 |
| Total personal income | 1,583,508 | 1,782,519 | 4,170 | 4,591 | 4,617 | 5,019 | 12.4 | 10.7 | 12.6 | 9.3 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 2,063 | 2,108 | 2,288 | 2,367 | 12.1 | 10.9 | 12.6 | 12.3 |
| Other labor income | 96,016 | 111,719 | 177 | 183 | 207 | 214 | 17.0 | 16.7 | 16.4 | 16.9 |
| Proprietors' income | 105,953 | 125,995 | 801 | 1,145 | 888 | 1,174 | 21.5 | 10.8 | 18.9 | 2.5 |
| Farm | 23,636 | 31,044 | 501 | 836 | 545 | 818 | 66.6 | 8.7 | 31.3 | -2.1 |
| Nonfarm | 82,317 | 94,951 | 300 | 309 | 343 | 355 | 12.8 | 14.4 | 15.3 | 15.0 |
| Dividends, interest, and rent | 214,992 | 242,442 | 733 | 750 | 813 | 834 | 12.3 | 10.9 | 12.8 | 11.2 |
| Transfer payments | 215,944 | 233,750 | 567 | 578 | 618 | 630 | 8.8 | 9.0 | 8.2 | 8.9 |
| State unemployment insurance benefits | 11,128 | 7,753 | 12 | 13 | 8 | 9 | -24.0 | -36.8 | -30.3 | -29.2 |
| Less: personal contributions | 62,212 | 71,610 | 175 | 178 | 202 | 206 | 14.8 | 15.3 | 15.1 | 15.7 |
| Plus: residence adjustment | -401 | -473 | 5 | 5 | 6 | 6 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 2,063 | 2,108 | 2,288 | 2,367 | 12.1 | 10.9 | 12.6 | 12.3 |
| Farm | 7,176 | 7,939 | 46 | 49 | 51 | 53 | 8.5 | 9.7 | 10.6 | 9.0 |
| Nonfarm | 1,006,040 | 1,132,757 | 2,016 | 2,059 | 2,237 | 2,314 | 12.1 | 11.0 | 12.6 | 12.4 |
| Mining | 14,048 | 18,813 | 35 | 38 | 46 | 47 | 26.5 | 29.8 | 33.9 | 25.0 |
| Construction | 55,648 | 66,858 | 138 | 147 | 169 | 172 | 19.1 | 22.4 | 20.1 | 17.2 |
| Manufacturing | 276,112 | 312,970 | 250 | 251 | 285 | 303 | 12.1 | 14.0 | 13.3 | 20.8 |
| Durable goods | 176,216 | 203,053 | 107 | 109 | 135 | 144 | 13.7 | 26.6 | 15.2 | 31.8 |
| Nondurable goods | 99,896 | 109,917 | 144 | 141 | 150 | 159 | 9.4 | 4.6 | 10.0 | 12.2 |
| Private service-type | 455,764 | 515,348 | 1,021 | 1,044 | 1,146 | 1,178 | 12.8 | 12.3 | 13.1 | 12.8 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 168 | 171 | 186 | 191 | 10.4 | 10.6 | 11.3 | 11.5 |
| Wholesale and retail trade | 170,888 | 195,035 | 455 | 458 | 506 | 519 | 13.6 | 11.3 | 14.1 | 13.4 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 100 | 105 | 117 | 119 | 14.1 | 16.5 | 13.2 | 14.2 |
| Services | 153,840 | 173,396 | 298 | 311 | 338 | 349 | 12.6 | 13.2 | 12.7 | 12.1 |
| Government | 201,252 | 215,083 | 566 | 574 | 584 | 608 | 7.4 | 3.3 | 6.9 | 6.0 |
| Federal | 68,176 | 73,003 | 228 | 243 | 245 | 257 | 7.3 | 7.5 | 7.1 | 5.7 |
| State and local | 133,076 | 142,080 | 338 | 331 | 339 | 352 | 7.5 | .5 | 6.8 | 6.3 |
| Other | 3,216 | 3,685 | 6 | 6 | 7 | 7 | 18.7 | 9.3 | 14.6 | 6.5 |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and South Dakota Through Fourth Quarter, 1978¹

| | United States | | | South Dakota | | | U.S. | State | U.S. | State |
|--|--|---------|----------|--------------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, South Dakota's **civilian labor force** increased 3.8 percent versus 3.1 percent nationally (table 4). **Total employment** increased 3.6 percent versus 3.9 percent nationally, to 314,000.

With the labor force increasing by about 12,000 and employment increasing by about 11,000, the number of **unemployed** increased somewhat, to over 8,000. South Dakota's **unemployment rate** increased fractionally, to 2.6 percent of the labor force; this was the lowest unemployment rate in the Nation, along with the 2.6-percent rate

registered in Kansas. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Preliminary data for December 1978 show unemployment rates of 3.0 percent for the State as a whole—the same as in December 1977—and 2.2 percent for Sioux Falls, South Dakota's major metropolitan area. The Sioux Falls rate represented a decline of 0.4 percentage point from the December 1977 level.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: South Dakota

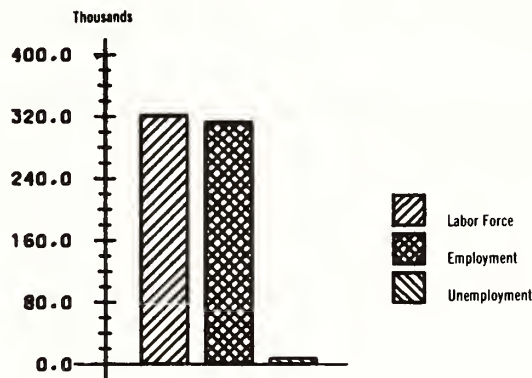


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

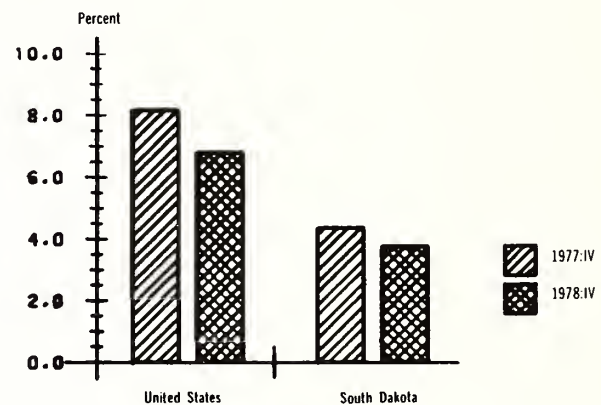


TABLE 4.—Labor Force, United States and South Dakota Through Fourth Quarter, 1978

| | United States | | | South Dakota | | | U.S. | State | U.S. | State |
|---|--|---------|----------|--------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 233 | 231 | 236 | 235 | 4.3 | 1.2 | 4.2 | 1.7 |
| Mining | 787 | 899 | 3 | 3 | 3 | 3 | 8.2 | −3.7 | 14.2 | −3.7 |
| Construction | 4,032 | 4,488 | 15 | 13 | 15 | 13 | 10.4 | .0 | 11.3 | −1.5 |
| Manufacturing | 19,986 | 20,722 | 24 | 24 | 25 | 25 | 3.1 | 2.5 | 3.7 | 2.9 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 13 | 13 | 13 | 14 | 3.8 | 6.4 | 4.4 | 3.1 |
| Wholesale and retail trade | 19,152 | 20,015 | 65 | 63 | 65 | 64 | 5.3 | .0 | 4.5 | .8 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 10 | 10 | 11 | 11 | 4.8 | 7.7 | −2.0 | 6.8 |
| Services | 15,539 | 16,215 | 49 | 47 | 50 | 49 | 4.6 | 3.5 | 4.4 | 3.0 |
| Government | 15,434 | 15,656 | 55 | 57 | 54 | 57 | 2.1 | −1.6 | 1.4 | .9 |
| Civilian labor force ³ | 98,591 | 101,615 | 334 | 311 | 340 | 323 | 3.2 | 2.0 | 3.1 | 3.8 |
| Total employed | 92,442 | 96,010 | 325 | 303 | 330 | 314 | 4.1 | 1.7 | 3.9 | 3.6 |
| Total unemployed | 6,149 | 5,605 | 9 | 8 | 10 | 8 | −9.8 | 13.1 | −8.8 | 8.2 |
| Percent unemployed | 6.2 | 5.5 | 2.7 | 2.5 | 3.0 | 2.6 | — | — | — | — |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

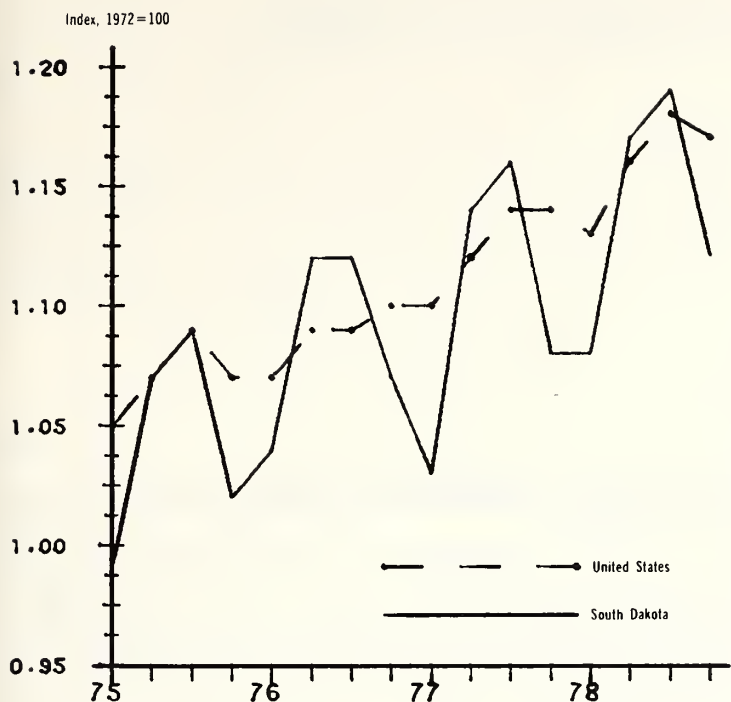


Chart 8.—Civilian Employment

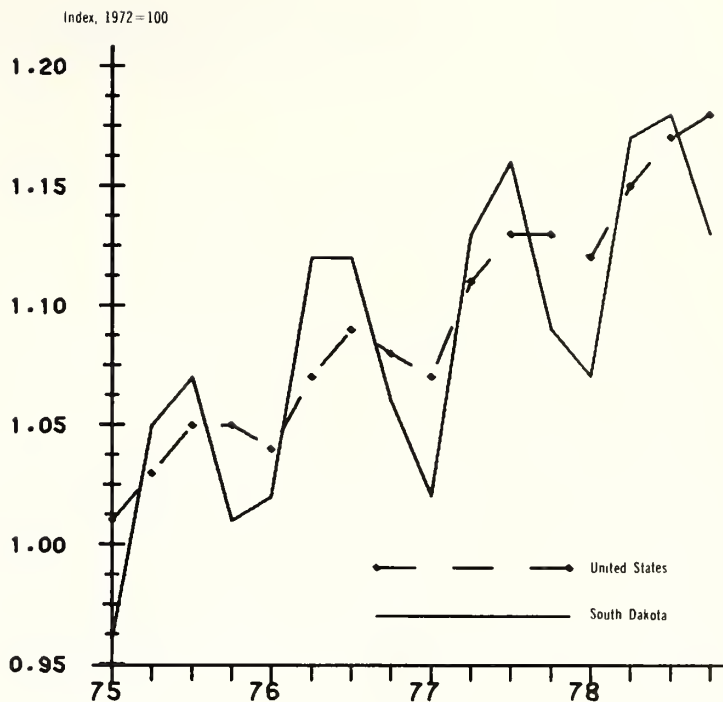


Chart 9.—Unemployment Rate

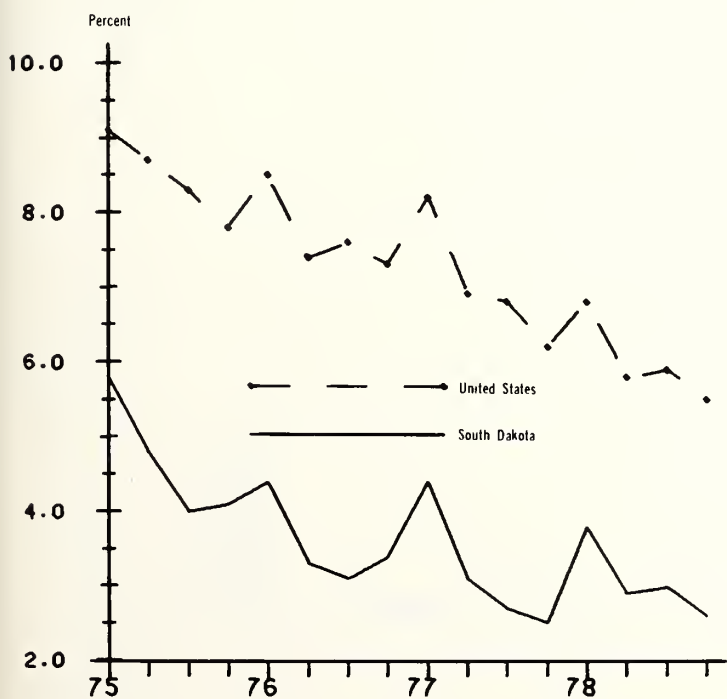
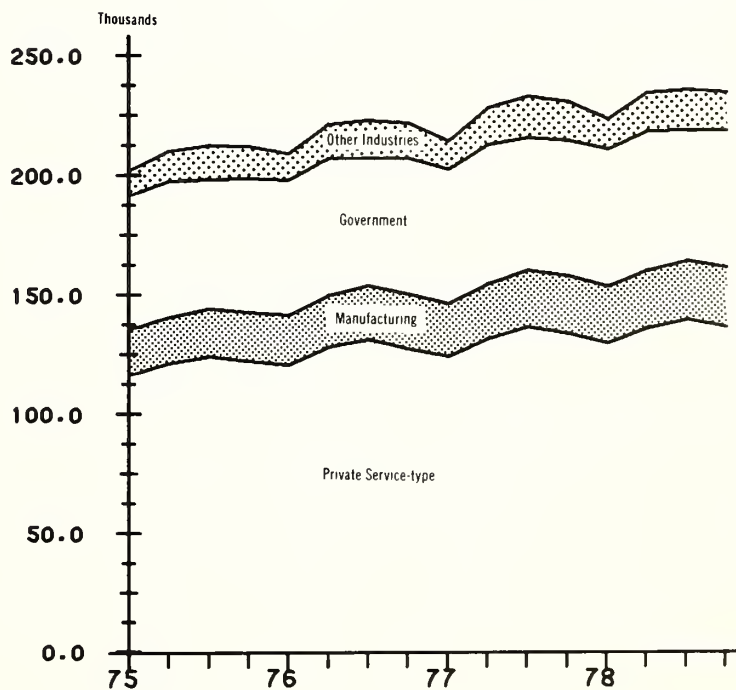


Chart 10.—Industrial Composition of Nonagricultural Employment: South Dakota



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and South Dakota Through Fourth Quarter, 1978

| | United States | | | South Dakota | | | U.S. | State | U.S. | State |
|------------------------------|---|---------|----------|--------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 2,262 | 2,340 | 2,591 | n.a. | 16.3 | 14.5 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 468 | 487 | 541 | n.a. | 14.2 | 15.6 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 434 | 447 | 518 | n.a. | 20.2 | 19.4 | --- | --- |
| Real estate | 177,935 | n.a. | 556 | 578 | 635 | n.a. | 19.9 | 14.2 | --- | --- |
| Residential | 101,236 | n.a. | 371 | 386 | 413 | n.a. | 21.3 | 11.5 | --- | --- |
| Farms | 7,731 | n.a. | 43 | 44 | 49 | n.a. | 10.7 | 13.3 | --- | --- |
| Other | 68,968 | n.a. | 142 | 148 | 173 | n.a. | 19.0 | 21.7 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 775 | 793 | 857 | n.a. | 6.8 | 10.6 | --- | --- |
| Other | 69,947 | n.a. | 29 | 35 | 39 | n.a. | 8.0 | 35.0 | --- | --- |
| Total deposits | 925,511 | n.a. | 3,310 | 3,443 | 3,600 | n.a. | 11.5 | 8.8 | --- | --- |
| Demand | 377,683 | n.a. | 914 | 1,009 | 1,015 | n.a. | 10.2 | 11.1 | --- | --- |
| Time and savings | 547,828 | n.a. | 2,396 | 2,434 | 2,585 | n.a. | 12.3 | 7.9 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 52.4 percent (\$85.0 million), to \$247.2 million (table 6). The State's percent increase was the second largest in the Nation, after Hawaii's 58.4-percent increase. The national increase was 16.8 percent. A \$115 million contract in 1978:IV for the construction of roadways in Lyman County raised the State's total valuation of contracts to an unusually high level, thereby distorting the increase since 1977:IV. If the Lyman County contract is excluded, the total valuation of contracts would have declined 18.5 percent from year to year.

Due to the Lyman County contract, the valuation of street and highway contracts increased almost tenfold versus a 16.3-percent national decline. South Dakota's increase was the largest in the Nation. The valuation of all nonbuilding contracts increased 226.4 percent, compared with a 22.2-percent national increase. Without the Lyman County contract, the valuation of nonbuilding contracts in the State would have declined 48 percent.

All other major categories of construction in the State were weak. Residential housekeeping contracts increased only 4.7 percent in valuation versus 15.6 percent nationally. The number of dwelling units started declined 17.3 percent (302 units), to 1,439 units; nationally, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations declined 0.8 percent in valuation in the State and increased 14.6 percent nationally. The percent changes in all three of South Dakota's residential housekeeping indicators were among the weakest in the Nation.

Nonresidential contracts declined 35.3 percent in valuation, compared with a national increase of 15.8 percent. Only three States—Mississippi, Montana, and Nebraska—and the District of Columbia registered declines that were larger than South Dakota's.

Chart 14.—Construction Contracts—Total Valuation

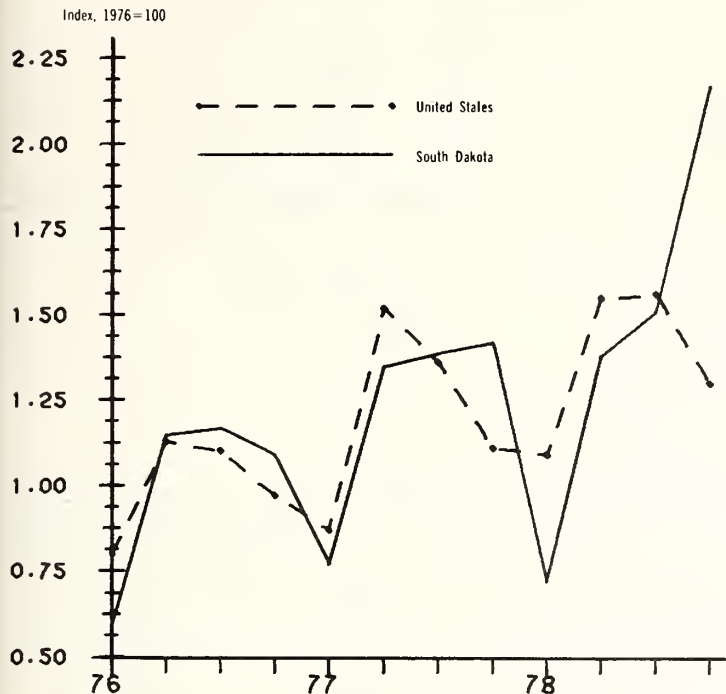


Chart 15.—Construction Contracts—Valuation of Contracts by Type: South Dakota

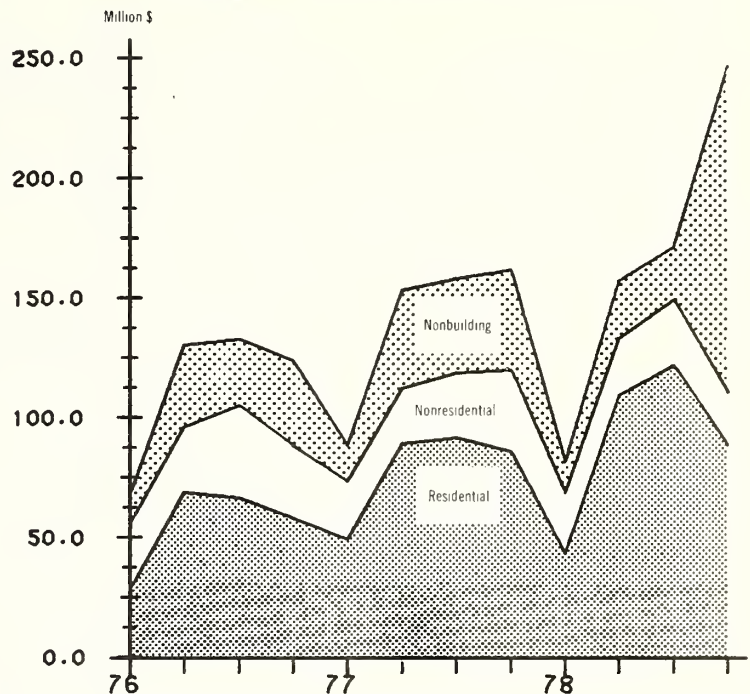


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

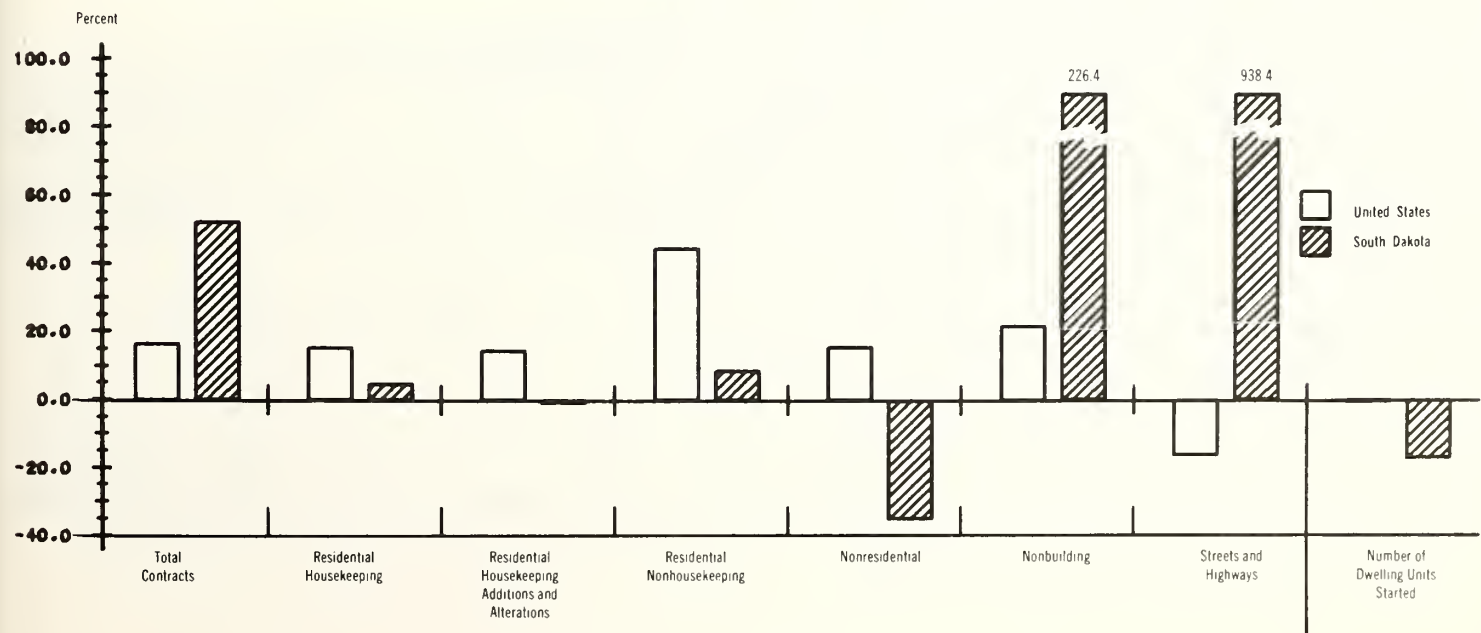


TABLE 6.—Construction Contracts, United States and South Dakota Through Fourth Quarter, 1978¹

| | United States | | | South Dakota | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|----------------|----------------|----------------|----------------|-----------------------------|------------|---------------------|-------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 158,482 | 162,170 | 171,591 | 247,213 | 14.5 | 8.3 | 16.8 | 52.4 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 29,760 | 29,961 | 36,023 | 29,733 | 16.8 | 21.0 | 14.6 | —8 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 473 | 555 | 518 | 442 | 4.4 | 9.5 | —9.3 | —20.4 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 128,722 | 132,209 | 135,568 | 217,480 | 14.0 | 5.3 | 17.4 | 64.5 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 3,446 | 3,321 | 3,968 | 2,922 | 10.8 | 15.2 | 10.2 | —12.0 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 250 | 243 | 226 | 223 | —5.1 | —9.6 | —4.3 | —8.2 |
| Number of dwelling units | 445,772 | 443,075 | 2,084 | 1,741 | 2,282 | 1,439 | 1.0 | 9.5 | —6 | —17.3 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 60,834 | 53,001 | 81,701 | 55,476 | 15.3 | 34.3 | 15.6 | 4.7 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 2,527 | 2,151 | 3,019 | 1,994 | 10.3 | 19.5 | 10.7 | —7.3 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 6 | 8 | 6 | 6 | —10.0 | .0 | —4 | —25.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 1,391 | 2,855 | 4,351 | 3,105 | 9.4 | 212.8 | 44.8 | 8.8 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 41 | 111 | 145 | 112 | —7 | 257.1 | 24.7 | 1.3 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 85 | 117 | 120 | 111 | —2.5 | 41.2 | —12.0 | —5.1 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 27,038 | 34,523 | 27,415 | 22,346 | 27.6 | 1.4 | 15.8 | —35.3 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 879 | 1,059 | 805 | 816 | 12.2 | —8.4 | 8.9 | —22.9 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 132 | 187 | 166 | 102 | 22.4 | 25.8 | —9.1 | —45.5 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 39,459 | 41,830 | 22,101 | 136,553 | —1 | —44.0 | 22.2 | 226.4 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 52 | 37 | 55 | 36 | 9.3 | 5.8 | —17.8 | —2.7 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 22,212 | 12,254 | 7,843 | 127,247 | 3.0 | —64.7 | —16.3 | 938.4 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for South Dakota are not available.

TABLE 7.—Retail Sales, United States and South Dakota Through Fourth Quarter, 1978

| | United States | | | South Dakota | | | U.S. | State | U.S. | State |
|------------------------|--|---------|----------|--------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

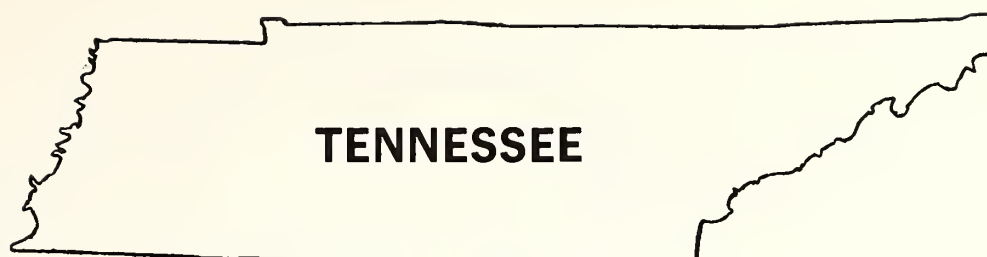
TABLE 8.—Business Incorporations and Failures, United States and South Dakota Through Fourth Quarter, 1978

| | United States | | | South Dakota | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|--------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 236 | 231 | 211 | n.a. | 8.2 | −10.6 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 8 | 11 | 6 | n.a. | −9.5 | −25.0 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 454 | 1,786 | 650 | n.a. | −44.2 | 43.2 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 57 | 162 | 108 | n.a. | −38.4 | 89.5 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 1 | 0 | 1 | n.a. | −10.1 | .0 | --- | --- |
| Construction | 319 | n.a. | 0 | 3 | 0 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade | 191 | n.a. | 2 | 0 | 0 | n.a. | −27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 5 | 5 | 3 | n.a. | −4.2 | −40.0 | --- | --- |
| Commercial services | 238 | n.a. | 0 | 3 | 2 | n.a. | −24.0 | --- | --- | --- |

n.a. Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 13.6% vs. 12.6% in U.S., to \$29.6 billion
- Farm personal income up 133.5% vs. 26.3% in U.S.
- Payrolls up 12.2% in durables manufacturing vs. 15.2% in U.S. and 13.3% in trade vs. 14.1% in U.S.

Employment

- Up 2.6% vs. 3.9% in U.S., to 1.9 million

Unemployment

- Up 12,000, to 117,000
- Rate up to 5.9% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 8.3% vs. 16.8% in U.S., to \$823.6 million
- Valuation of nonbuilding contracts down 15.1% vs. 22.2% increase in U.S.
- Number of dwelling-unit starts down 3.3% vs. near stability in U.S., to 10,338

Retail sales

- Up 8.1% vs. 11.2% in U.S., to \$4.1 billion

TABLE 1.—Summary of Economic Indicators, United States and Tennessee Through Fourth Quarter, 1978

| | United States | | | Tennessee | | | U.S. | State | U.S. | State |
|--|--|------------|-----------|-----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 25,197 | 26,095 | 28,664 | 29,641 | 12.4 | 13.8 | 12.6 | 13.6 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 16,863 | 17,528 | 19,054 | 19,687 | 12.1 | 13.0 | 12.6 | 12.3 |
| Civilian employment (thousands) | 92,442 | 96,010 | 1,817 | 1,822 | 1,830 | 1,869 | 4.1 | .7 | 3.9 | 2.6 |
| Unemployment (thousands) | 6,149 | 5,605 | 117 | 105 | 117 | 117 | -9.8 | -4 | -8.8 | 11.2 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 6.1 | 5.4 | 6.0 | 5.9 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 10,112 | 10,416 | 11,537 | n.a. | 16.3 | 14.1 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 14,935 | 15,840 | 16,532 | n.a. | 11.5 | 10.7 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 1,153,956 | 760,397 | 989,984 | 823,624 | 14.5 | -14.2 | 16.8 | 8.3 |
| Dwelling units started (number) | 445,772 | 443,075 | 11,579 | 10,696 | 12,145 | 10,338 | 1.0 | 4.9 | -6 | -3.3 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | 3,815 | 3,814 | 4,124 | 10.3 | --- | 11.2 | 8.1 |
| New business incorporations (number) | 109,411 | n.a. | 1,523 | 1,567 | 1,609 | n.a. | 8.2 | 5.6 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 23 | 40 | 33 | n.a. | -9.5 | 43.5 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

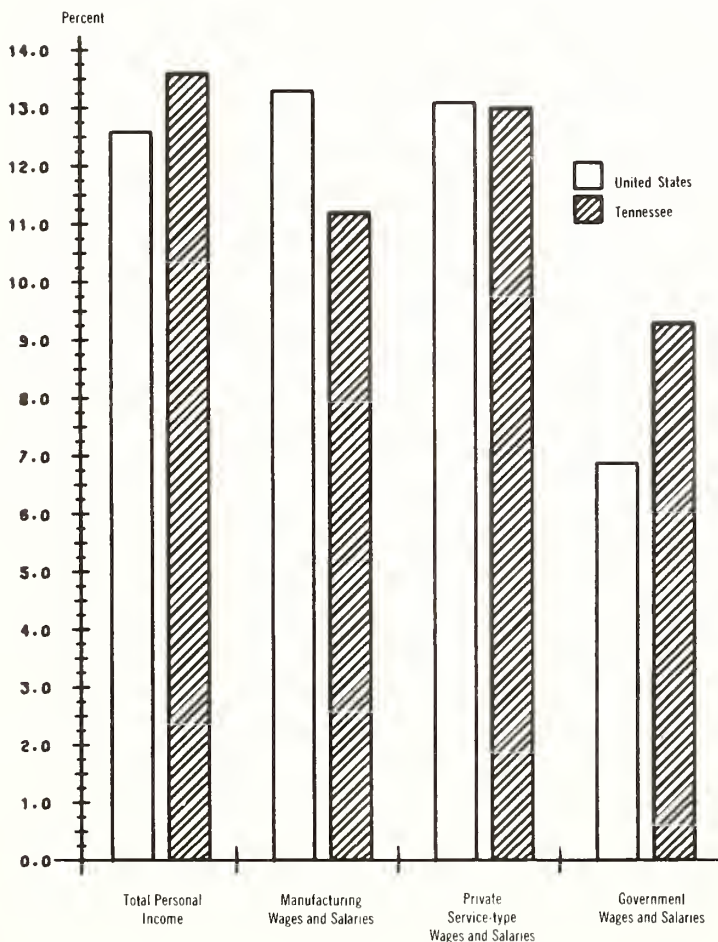
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.6 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, the State's personal income totaled \$29.6 billion, up \$3.5 billion since 1977:IV.

Tennessee's increase in personal income would have been smaller had it not been for a 133.5-percent increase in farm personal income, one of the largest increases in the Nation. Nationally, farm income increased 26.3 percent. The State's nonfarm personal income increased 12.2 percent from year to year, slightly less than nationally. Since the most recent national business cycle peak in 1973:IV, Tennessee's economy has grown somewhat more rapidly than the Nation's; the increase in the State's nonfarm income was 2 percent more than nationally, ranking Tennessee 29th among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]



From 1977:IV to 1978:IV, **wage and salary disbursements** (payrolls) increased 12.3 percent in the State versus 12.6 percent nationally. In 1978:IV, they totaled \$29.6 billion, up \$3.5 billion since 1977:IV.

Trade payrolls increased 13.3 percent from year to year, compared with a 14.1-percent national increase. Payrolls in finance-insurance-real estate increased 10.0 percent, 3.2 percentage points less than nationally; Tennessee's increase was one of the smallest in the Nation. In contrast, payrolls in transportation-communication-public utilities increased 13.3 percent in the State versus 11.3 percent nationally, and services payrolls increased 13.4 percent versus 12.7 percent nationally.

Durable goods manufacturing payrolls increased 12.2 percent from year to year, one of the smallest increases in the Nation and 3.0 percentage points less than nationally. Nondurable goods manufacturing payrolls increased 10.4 percent in Tennessee versus 10.0 percent in the Nation.

Federal Government payrolls registered one of the largest increases among all States, 13.1 percent; this was exceeded by increases in only Idaho and Maine. Nationally, Federal Government payrolls increased 7.1 percent. State and local government payrolls increased 7.0 percent in the State and 6.8 percent nationally. Construction payrolls increased 24.9 percent from year to year, outpacing the national increase by 4.8 percentage points.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 24.8 percent in Tennessee versus a national decline of 30.3 percent.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

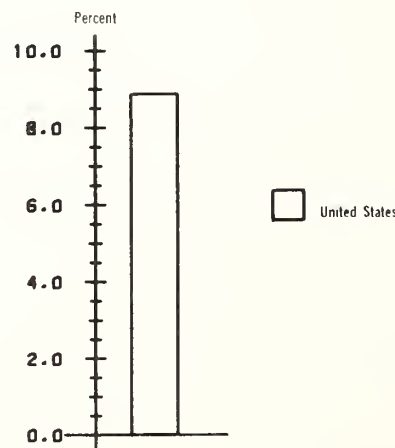


Chart 3.—Total Personal Income
[Seasonally adjusted]

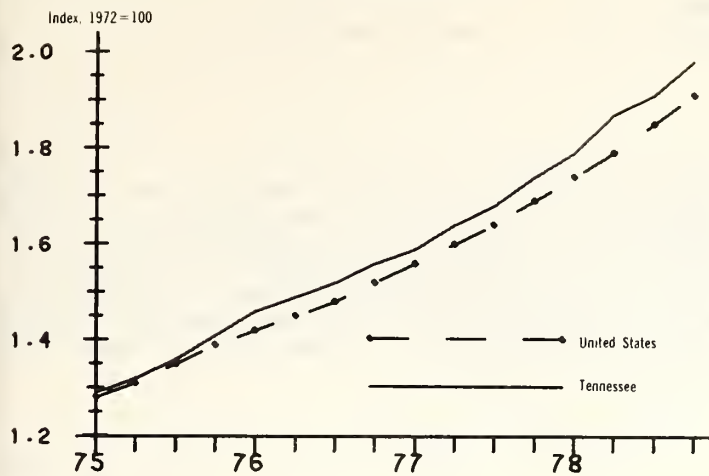


Chart 4.—Industrial Composition of Wages and Salaries: Tennessee
[Seasonally adjusted]

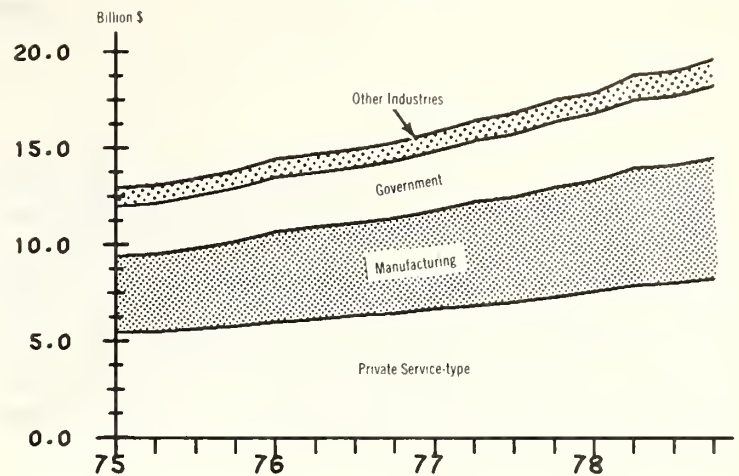


TABLE 2.—Personal Income, United States and Tennessee Through Fourth Quarter, 1978

| | United States | | | Tennessee | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|-----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 25,197 | 26,095 | 28,664 | 29,641 | 12.4 | 13.8 | 12.6 | 13.6 |
| Farm personal income..... | 31,224 | 39,451 | 263 | 303 | 617 | 707 | 47.9 | 134.6 | 26.3 | 133.5 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 24,934 | 25,792 | 28,046 | 28,934 | 11.9 | 12.5 | 12.3 | 12.2 |
| Total personal income | 1,583,508 | 1,782,519 | 25,197 | 26,095 | 28,664 | 29,641 | 12.4 | 13.8 | 12.6 | 13.6 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 16,863 | 17,528 | 19,054 | 19,687 | 12.1 | 13.0 | 12.6 | 12.3 |
| Other labor income | 96,016 | 111,719 | 1,609 | 1,689 | 1,886 | 1,945 | 17.0 | 17.2 | 16.4 | 15.1 |
| Proprietors' income..... | 105,953 | 125,995 | 1,791 | 1,851 | 2,355 | 2,528 | 21.5 | 31.5 | 18.9 | 36.6 |
| Farm | 23,636 | 31,044 | 176 | 213 | 524 | 610 | 66.6 | 197.4 | 31.3 | 187.2 |
| Nonfarm | 82,317 | 94,951 | 1,615 | 1,638 | 1,831 | 1,917 | 12.8 | 13.4 | 15.3 | 17.0 |
| Dividends, interest, and rent | 214,992 | 242,442 | 2,635 | 2,699 | 2,938 | 3,017 | 12.3 | 11.5 | 12.8 | 11.8 |
| Transfer payments | 215,944 | 233,750 | 3,680 | 3,753 | 4,037 | 4,106 | 8.8 | 9.7 | 8.2 | 9.4 |
| State unemployment insurance benefits..... | 11,128 | 7,753 | 145 | 151 | 116 | 114 | -24.0 | -19.6 | -30.3 | -24.8 |
| Less: personal contributions | 62,212 | 71,610 | 1,108 | 1,138 | 1,274 | 1,298 | 14.8 | 14.9 | 15.1 | 14.1 |
| Plus: residence adjustment..... | -401 | -473 | -274 | -288 | -334 | -343 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 16,863 | 17,528 | 19,054 | 19,687 | 12.1 | 13.0 | 12.6 | 12.3 |
| Farm | 7,176 | 7,939 | 85 | 88 | 91 | 94 | 8.5 | 7.2 | 10.6 | 7.1 |
| Nonfarm | 1,006,040 | 1,132,757 | 16,778 | 17,440 | 18,963 | 19,593 | 12.1 | 13.0 | 12.6 | 12.3 |
| Mining | 14,048 | 18,813 | 133 | 131 | 159 | 159 | 26.5 | 20.3 | 33.9 | 21.2 |
| Construction | 55,648 | 66,858 | 866 | 871 | 1,035 | 1,087 | 19.1 | 19.5 | 20.1 | 24.9 |
| Manufacturing | 276,112 | 312,970 | 5,486 | 5,679 | 6,119 | 6,317 | 12.1 | 11.5 | 13.3 | 11.2 |
| Durable goods | 176,216 | 203,053 | 2,459 | 2,582 | 2,751 | 2,897 | 13.7 | 11.9 | 15.2 | 12.2 |
| Nondurable goods | 99,896 | 109,917 | 3,027 | 3,098 | 3,367 | 3,420 | 9.4 | 11.2 | 10.0 | 10.4 |
| Private service-type | 455,764 | 515,348 | 7,036 | 7,305 | 8,028 | 8,252 | 12.8 | 14.1 | 13.1 | 13.0 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 1,143 | 1,163 | 1,283 | 1,318 | 10.4 | 12.3 | 11.3 | 13.3 |
| Wholesale and retail trade | 170,888 | 195,035 | 2,959 | 3,044 | 3,331 | 3,449 | 13.6 | 12.6 | 14.1 | 13.3 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 756 | 793 | 857 | 872 | 14.1 | 13.4 | 13.2 | 10.0 |
| Services..... | 153,840 | 173,396 | 2,178 | 2,305 | 2,557 | 2,613 | 12.6 | 17.4 | 12.7 | 13.4 |
| Government | 201,252 | 215,083 | 3,225 | 3,421 | 3,584 | 3,739 | 7.4 | 11.1 | 6.9 | 9.3 |
| Federal | 68,176 | 73,003 | 1,192 | 1,280 | 1,410 | 1,448 | 7.3 | 18.3 | 7.1 | 13.1 |
| State and local | 133,076 | 142,080 | 2,033 | 2,141 | 2,174 | 2,292 | 7.5 | 6.9 | 6.8 | 7.0 |
| Other | 3,216 | 3,685 | 32 | 33 | 38 | 38 | 18.7 | 17.6 | 14.6 | 14.0 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Tennessee Through Fourth Quarter, 1978¹

| | United States | | | Tennessee | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|-----------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Tennessee's **civilian labor force** increased 3.0 percent versus 3.1 percent nationally (table 4). **Total employment** increased 2.6 percent versus 3.9 percent nationally, to 1.9 million.

With the labor force increasing by 59,000 and employment increasing by 47,000, the number of **unemployed** increased by 12,000, to 117,000. Tennessee's **unemployment rate** increased 0.5 percentage point, to 5.9 percent of the State's labor force. Tennessee was one of only 10 States to register an increase in the unemployment rate. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

According to preliminary data for December 1978, when the State's unemployment rate was 6.0 percent, unemployment rates among Tennessee's major metropolitan areas ranged from 5.8 percent in Knoxville to 4.1 percent in Nashville-Davidson. From December 1977 to December 1978, increases in the unemployment rate ranged from 1.3 percentage points in Knoxville to 0.1 percentage point in Memphis (to 5.6 percent), compared with an increase of 0.5 percentage point statewide.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV:
Tennessee

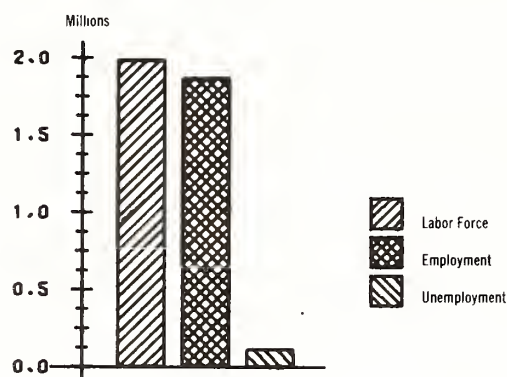


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

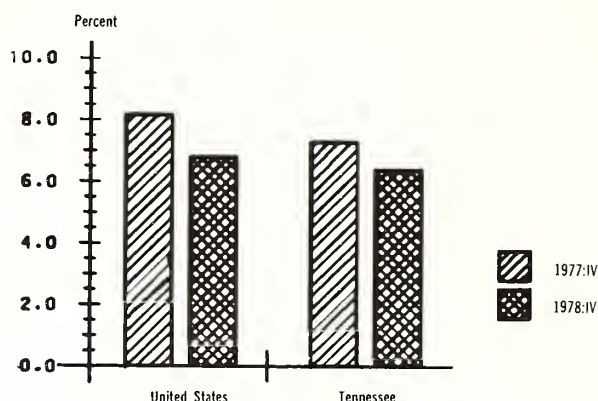


TABLE 4.—Labor Force, United States and Tennessee Through Fourth Quarter, 1978

| | United States | | | Tennessee | | | U.S. | State | U.S. | State |
|---|--|---------|----------|-----------|----------|---------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls..... | 84,210 | 87,708 | 1,638 | 1,679 | 1,692 | 1,715 | 4.3 | 3.3 | 4.2 | 2.2 |
| Mining | 787 | 899 | 9 | 9 | 9 | 9 | 8.2 | -6.4 | 14.2 | -8.6 |
| Construction | 4,032 | 4,488 | 81 | 80 | 90 | 90 | 10.4 | 11.1 | 11.3 | 13.6 |
| Manufacturing | 19,986 | 20,722 | 510 | 522 | 525 | 521 | 3.1 | 2.9 | 3.7 | -2 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 78 | 79 | 82 | 82 | 3.8 | 4.3 | 4.4 | 3.9 |
| Wholesale and retail trade | 19,152 | 20,015 | 352 | 362 | 365 | 376 | 5.3 | 3.5 | 4.5 | 3.9 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 71 | 70 | 72 | 71 | 4.8 | 1.4 | -2.0 | 1.3 |
| Services | 15,539 | 16,215 | 253 | 256 | 256 | 258 | 4.6 | 1.2 | 4.4 | .8 |
| Government | 15,434 | 15,656 | 282 | 301 | 293 | 309 | 2.1 | 3.9 | 1.4 | 2.6 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,935 | 1,927 | 1,947 | 1,986 | 3.2 | .6 | 3.1 | 3.0 |
| Total employed | 92,442 | 96,010 | 1,817 | 1,822 | 1,830 | 1,869 | 4.1 | .7 | 3.9 | 2.6 |
| Total unemployed | 6,149 | 5,605 | 117 | 105 | 117 | 117 | -9.8 | -4 | -8.8 | 11.2 |
| Percent unemployed | 6.2 | 5.5 | 6.1 | 5.4 | 6.0 | 5.9 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

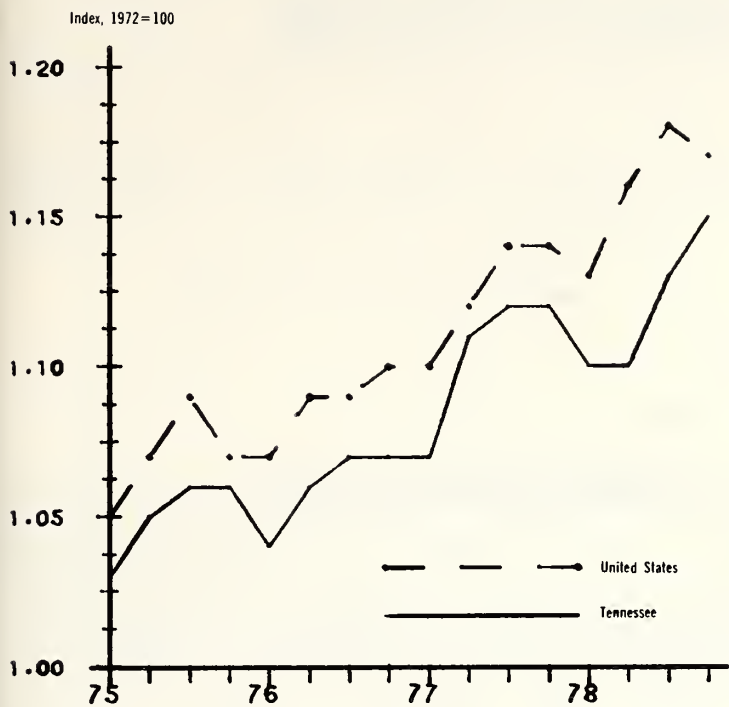


Chart 8.—Civilian Employment

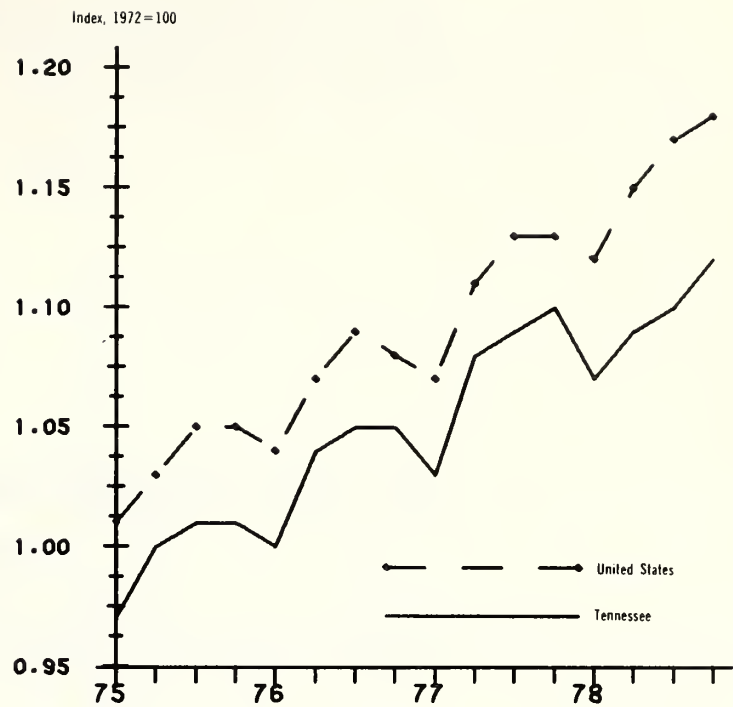


Chart 9.—Unemployment Rate

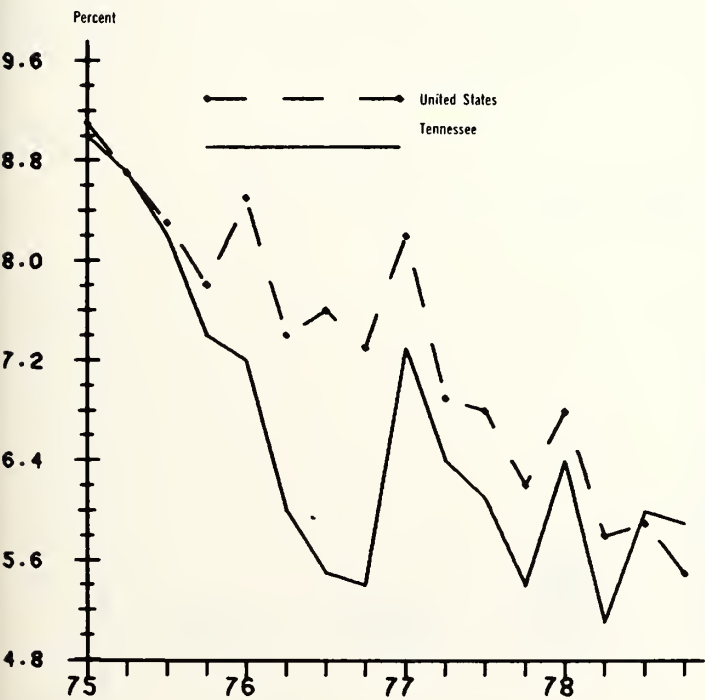
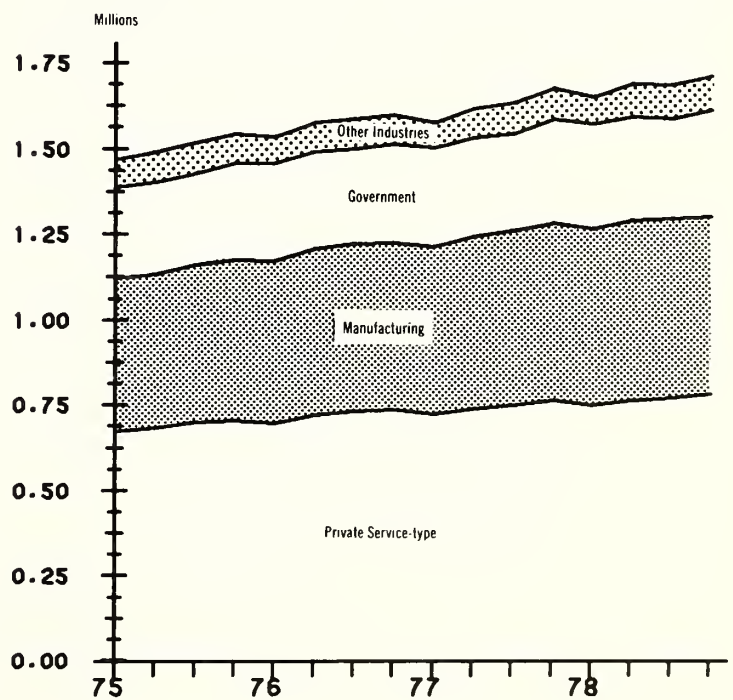


Chart 10.—Industrial Composition of Nonagricultural Employment: Tennessee



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Tennessee Through Fourth Quarter, 1978

| | United States | | | | | | Tennessee | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|------|---------------------|------|-------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | | | | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | | | | |
| Total loans | 610,502 | n.a. | 10,112 | 10,416 | 11,537 | n.a. | 16.3 | 14.1 | --- | --- | | | |
| Commercial and industrial | 196,317 | n.a. | 2,547 | 2,691 | 2,907 | n.a. | 14.2 | 14.1 | --- | --- | | | |
| Loans to individuals | 140,599 | n.a. | 3,401 | 3,478 | 3,908 | n.a. | 20.2 | 14.9 | --- | --- | | | |
| Real estate | 177,935 | n.a. | 3,185 | 3,285 | 3,721 | n.a. | 19.9 | 16.8 | --- | --- | | | |
| Residential | 101,236 | n.a. | 1,448 | 1,480 | 1,715 | n.a. | 21.3 | 18.5 | --- | --- | | | |
| Farms..... | 7,731 | n.a. | 339 | 334 | 359 | n.a. | 10.7 | 6.0 | --- | --- | | | |
| Other | 68,968 | n.a. | 1,398 | 1,471 | 1,646 | n.a. | 19.0 | 17.7 | --- | --- | | | |
| Farms, excluding real estate | 25,704 | n.a. | 319 | 296 | 334 | n.a. | 6.8 | 4.8 | --- | --- | | | |
| Other..... | 69,947 | n.a. | 659 | 665 | 668 | n.a. | 8.0 | 1.3 | --- | --- | | | |
| Total deposits | 925,511 | n.a. | 14,935 | 15,840 | 16,532 | n.a. | 11.5 | 10.7 | --- | --- | | | |
| Demand | 377,683 | n.a. | 5,074 | 5,626 | 5,562 | n.a. | 10.2 | 9.6 | --- | --- | | | |
| Time and savings | 547,828 | n.a. | 9,861 | 10,213 | 10,970 | n.a. | 12.3 | 11.3 | --- | --- | | | |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 8.3 percent (\$63.2 million), to \$823.6 million (table 6). The national increase was twice that of Tennessee. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Tennessee sustained a real decline of about 5 percent versus a real increase in the Nation of about 4 percent.

Nonbuilding contracts declined 15.1 percent in valuation, compared with a 22.2-percent national increase. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 35.4 percent versus a 16.3-percent decline nationally.

Nonresidential contracts declined 2.8 percent in valuation, compared with a 15.8-percent national increase.

In contrast, the valuation of residential housekeeping contracts increased 14.5 percent versus 15.6 percent nationally. The number of dwelling units started declined 3.3 percent (358 units), to 10,338 units; nationally, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased 27.3 percent in valuation versus 14.6 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

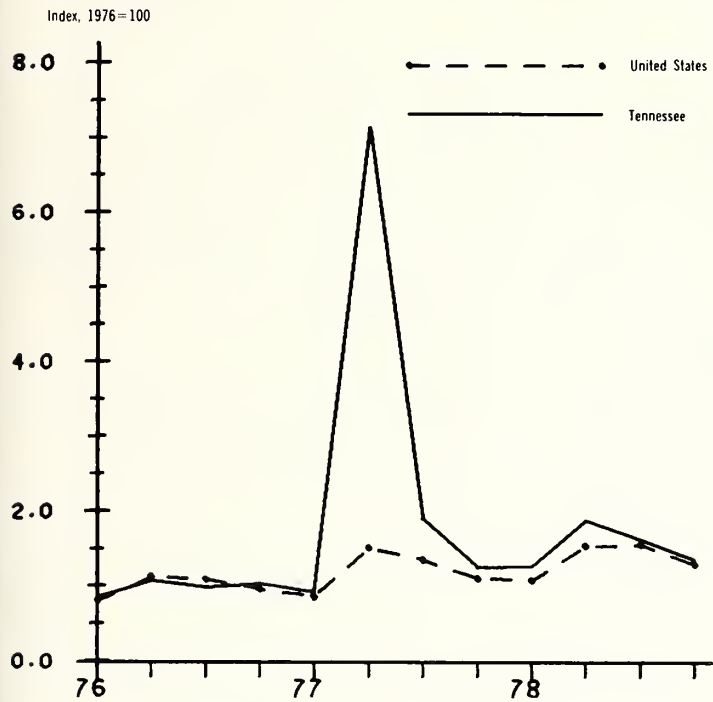


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Tennessee

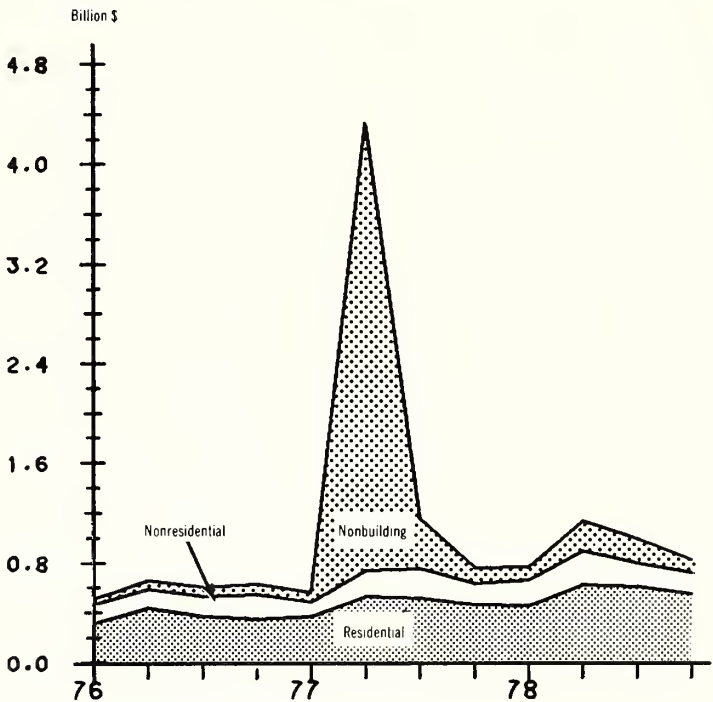


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

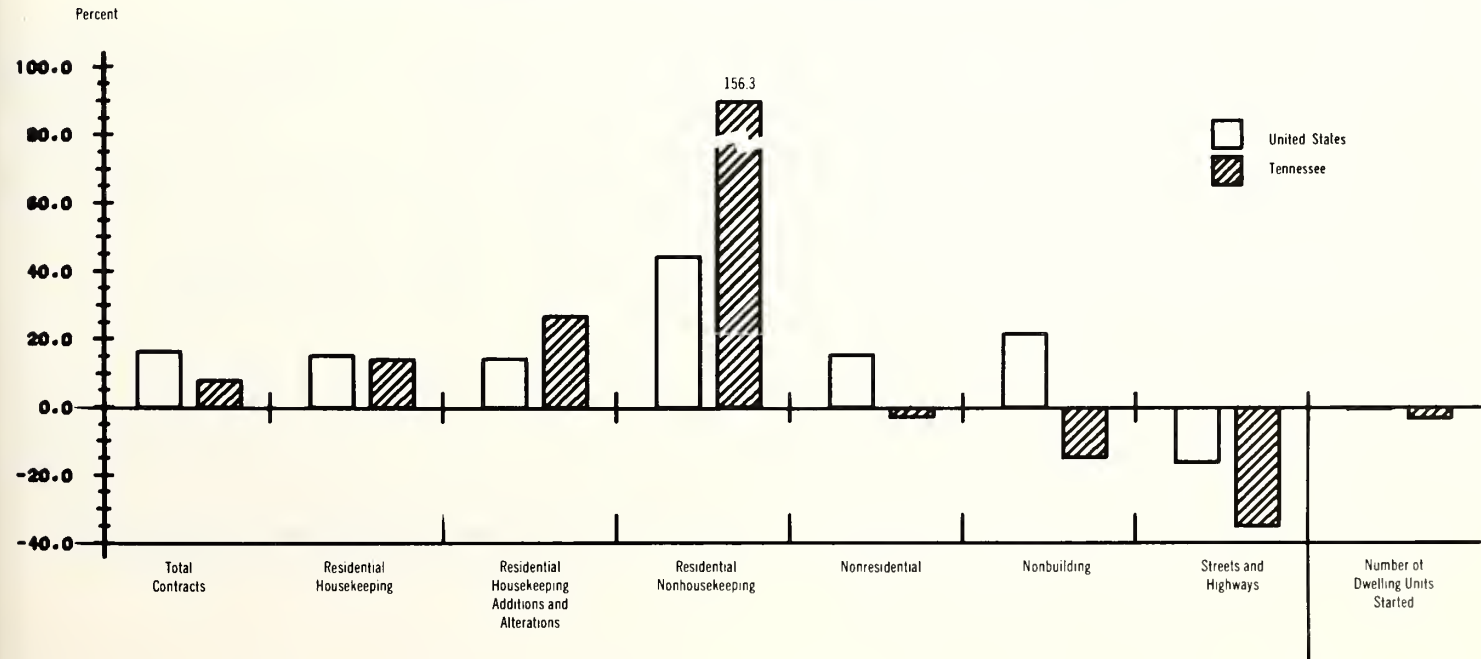


TABLE 6.—Construction Contracts, United States and Tennessee Through Fourth Quarter, 1978¹

| | United States | | | Tennessee | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|-----------|-----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 1,153,956 | 760,397 | 989,984 | 823,624 | 14.5 | -14.2 | 16.8 | 8.3 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars)..... | 7,707,987 | 8,832,353 | 152,425 | 134,149 | 182,935 | 170,750 | 16.8 | 20.0 | 14.6 | 27.3 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,464 | 1,405 | 1,512 | 1,171 | 4.4 | 3.3 | -9.3 | -16.7 |
| Valuation (thousands of dollars)..... | 31,205,124 | 36,627,420 | 1,001,531 | 626,248 | 807,049 | 652,874 | 14.0 | -19.4 | 17.4 | 4.3 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 23,516 | 19,784 | 25,652 | 22,084 | 10.8 | 9.1 | 10.2 | 11.6 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 370 | 375 | 351 | 351 | -5.1 | -5.1 | -4.3 | -6.4 |
| Number of dwelling units | 445,772 | 443,075 | 11,579 | 10,696 | 12,145 | 10,338 | 1.0 | 4.9 | -6 | -3.3 |
| Valuation (thousands of dollars)..... | 14,879,596 | 17,198,518 | 348,477 | 325,876 | 425,511 | 373,237 | 15.3 | 22.1 | 15.6 | 14.5 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 15,750 | 14,038 | 18,531 | 16,174 | 10.3 | 17.7 | 10.7 | 15.2 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 15 | 13 | 8 | 11 | -10.0 | -46.7 | -4 | -15.4 |
| Valuation (thousands of dollars)..... | 338,637 | 490,279 | 15,117 | 2,031 | 2,264 | 5,206 | 9.4 | -85.0 | 44.8 | 156.3 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 365 | 62 | 39 | 117 | -7 | -89.4 | 24.7 | 90.1 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 665 | 667 | 589 | 495 | -2.5 | -11.4 | -12.0 | -25.8 |
| Valuation (thousands of dollars)..... | 9,334,415 | 10,810,769 | 241,698 | 172,565 | 183,817 | 167,655 | 27.6 | -23.9 | 15.8 | -2.8 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 7,401 | 5,685 | 7,082 | 5,792 | 12.2 | -4.3 | 8.9 | 1.9 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 414 | 350 | 564 | 314 | 22.4 | 36.2 | -9.1 | -10.3 |
| Valuation (thousands of dollars)..... | 6,652,476 | 8,127,854 | 396,239 | 125,776 | 195,457 | 106,776 | -1 | -50.7 | 22.2 | -15.1 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 149 | 90 | 214 | 92 | 9.3 | 43.6 | -17.8 | 2.2 |
| Valuation (thousands of dollars)..... | 2,308,681 | 1,931,341 | 63,109 | 62,920 | 59,800 | 40,631 | 3.0 | -5.2 | -16.3 | -35.4 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Tennessee totaled \$4.1 billion in 1978:IV, up 8.1 percent increase (table 7). In 1978:IV, nondurable goods accounted for \$2.9 billion, and durable goods accounted for \$1.2 billion.

TABLE 7.—Retail Sales, United States and Tennessee Through Fourth Quarter, 1978

| | United States | | | Tennessee | | | U.S. | State | U.S. | State |
|------------------|--|---------|----------|-----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | 3,815 | 3,814 | 4,124 | 10.3 | --- | 11.2 | 8.1 |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | 1,230 | 1,214 | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | 2,584 | 2,910 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Tennessee Through Fourth Quarter, 1978

| | United States | | | Tennessee | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|-----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 1,523 | 1,567 | 1,609 | n.a. | 8.2 | 5.6 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 23 | 40 | 33 | n.a. | -9.5 | 43.5 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 2,057 | 48,913 | 5,811 | n.a. | -44.2 | 182.5 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 89 | 1,223 | 176 | n.a. | -38.4 | 97.8 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 1 | 5 | 6 | n.a. | -10.1 | 500.0 | --- | --- |
| Construction | 319 | n.a. | 7 | 14 | 5 | n.a. | 1.0 | -28.6 | --- | --- |
| Wholesale trade | 191 | n.a. | 4 | 2 | 1 | n.a. | -27.1 | -75.0 | --- | --- |
| Retail trade | 688 | n.a. | 8 | 13 | 18 | n.a. | -4.2 | 125.0 | --- | --- |
| Commercial services | 238 | n.a. | 3 | 6 | 3 | n.a. | -24.0 | .0 | --- | --- |

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|--|
| Personal income | —Up 14.5% vs. 12.6% in U.S., to \$106 billion —Mining payrolls up 39.8% vs. 33.9% in U.S. —Private service-type payrolls up 16.0% vs. 13.1% in U.S. |
| Consumer prices | —Up 9.2% in Dallas and 12.1% in Houston vs. 8.9% in U.S. |
| Employment | —Up 4.1% vs. 3.9% in U.S., to 5.8 million |
| Unemployment | —Down 11,000, to 279,000 —Rate down 0.3 percentage point, to 4.6% of labor force vs. 5.5% in U.S. |
| Construction | —Total valuation of contracts up 27.6% vs. 16.8% in U.S., to \$3.7 billion —Valuation of nonbuilding contracts doubled vs. 22.2% gain in U.S., due to electric generating plant contract in Lamb County —Number of dwelling-unit starts down 25.6% vs. near stability in U.S., to 33,762 |
| Retail sales | —Up 12.4% vs. 11.2% in U.S., to \$14.0 billion |

TABLE 1.—Summary of Economic Indicators, United States and Texas Through Fourth Quarter, 1978

| | United States | | | Texas | | | U.S. | State | U.S. | State |
|--|--|------------|-----------|-----------|-----------|-----------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 88,581 | 92,152 | 101,935 | 105,549 | 12.4 | 15.1 | 12.6 | 14.5 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 56,977 | 59,245 | 66,198 | 68,728 | 12.1 | 16.2 | 12.6 | 16.0 |
| Civilian employment (thousands) | 92,442 | 96,010 | 5,503 | 5,590 | 5,724 | 5,821 | 4.1 | 4.0 | 3.9 | 4.1 |
| Unemployment (thousands) | 6,149 | 5,605 | 317 | 290 | 303 | 279 | —9.8 | —4.7 | —8.8 | —3.9 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 5.5 | 4.9 | 5.0 | 4.6 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 34,971 | 36,605 | 42,449 | n.a. | 16.3 | 21.4 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 55,328 | 60,275 | 63,656 | n.a. | 11.5 | 15.1 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 3,919,870 | 2,903,864 | 4,420,778 | 3,706,668 | 14.5 | 12.8 | 16.8 | 27.6 |
| Dwelling units started (number) | 445,772 | 443,075 | 49,571 | 45,394 | 45,561 | 33,762 | 1.0 | —8.1 | —6 | —25.6 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 11,576 | 12,428 | 13,289 | 13,971 | 10.3 | 14.8 | 11.2 | 12.4 |
| New business incorporations (number) | 109,411 | n.a. | 6,225 | 6,609 | 8,193 | n.a. | 8.2 | 31.6 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 79 | 101 | 147 | n.a. | —9.5 | 86.1 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Dallas | --- | --- | 182.4 | 183.8 | 197.3 | 200.7 | --- | 8.2 | --- | 9.2 |
| Houston | --- | --- | 191.6 | 192.7 | 211.0 | 216.0 | --- | 10.1 | --- | 12.1 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

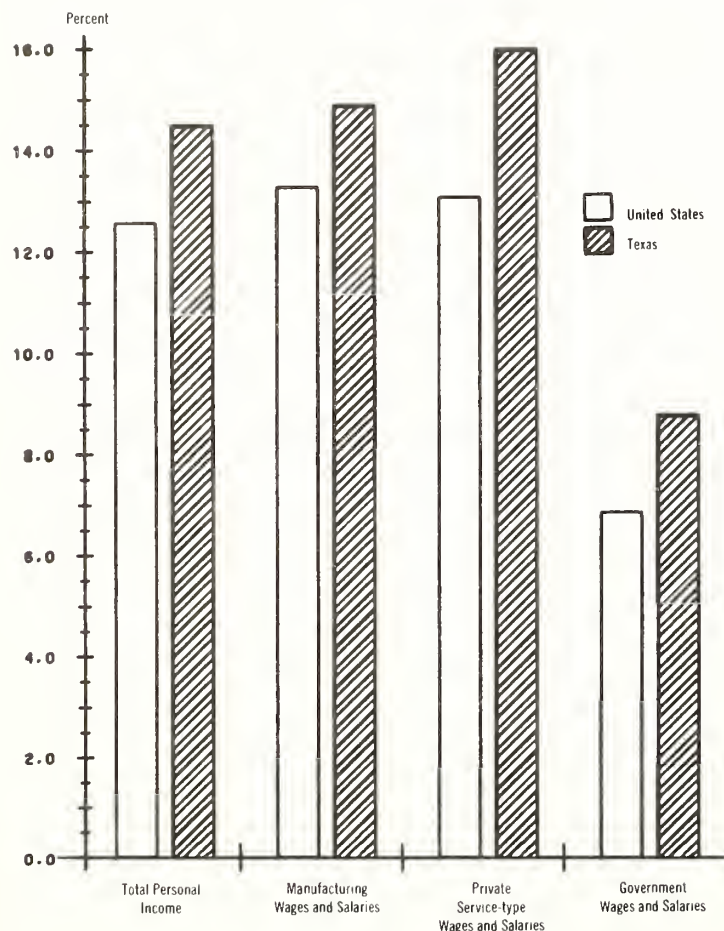
Personal Income

Total personal income (seasonally adjusted at annual rates) in Texas increased 14.5 percent from 1977:IV to 1978:IV, outpacing the Nation's gain by almost 2 percentage points (table 2). In 1978:IV, Texas' personal income totaled \$106 billion, up \$13.4 billion from the 1977:IV level. During the same timespan, **consumer prices** increased 9.2 percent in Dallas and 12.1 percent in Houston, both more than the U.S. city average increase of 8.9 percent (table 3). If the average of the two metropolitan area price increases is used as an indicator for price increases in the State, real total personal income increased about 3.9 percent in Texas versus 3.7 percent nationally.

Since the last national business cycle peak in 1973:IV, Texas' economy has grown at one of the fastest rates in the Nation; the increase in the State's nonfarm income was 37 percent more than nationally, ranking Texas fifth among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV

[Seasonally adjusted]



Reflecting strong increases in all but one major industry, **wage and salary disbursements** (payrolls) from 1977:IV to 1978:IV increased 16.0 percent versus 12.6 percent nationally. Trade payrolls increased 16.7 percent, leading the Nation's average increase of 14.1 percent, to \$13.5 billion. Services payrolls increased 15.8 percent, one of the largest State increases in the Nation and over 3 percentage points more than the national average increase. Transportation-communication-public utilities payrolls increased 13.8 percent, compared with 11.3 percent nationally. Mining payrolls increased 39.8 percent, the largest gain among all major industries in the State from year to year. The gain led the Nation's gain of 33.9 percent. Construction payrolls increased 23.1 percent, 3 percentage points above the national increase. Both manufacturing components registered large payroll increases: durables payrolls were up 17.5 percent, and nondurables payrolls were up 11.4 percent. State and local government payrolls increased 11.6 percent, an increase that was exceeded in only six States.

Federal Government payrolls increased 4.5 percent, the smallest payroll increase among all major industries in the State. The increase lagged the Nation's 7.1-percent average increase and was lower in only eight States.

State unemployment insurance benefits declined 21.8 percent, to \$150 million, compared with a 30.3-percent decline in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

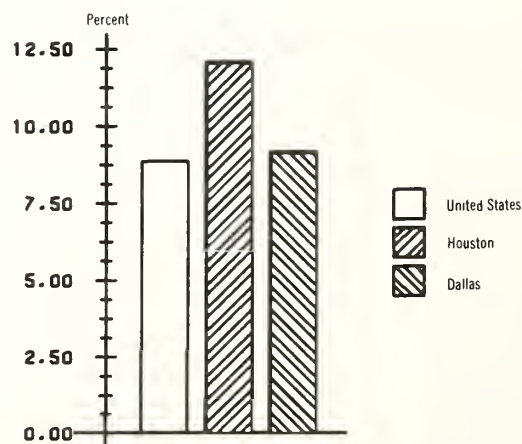


Chart 3.—Total Personal Income
[Seasonally adjusted]

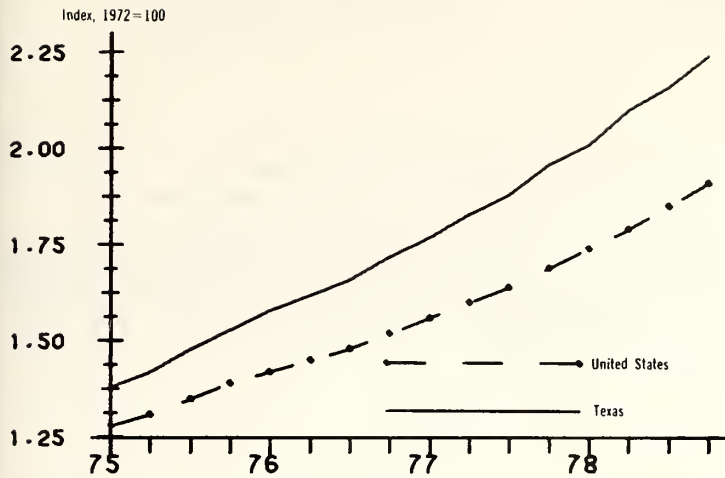


Chart 4.—Industrial Composition of Wages and Salaries: Texas
[Seasonally adjusted]

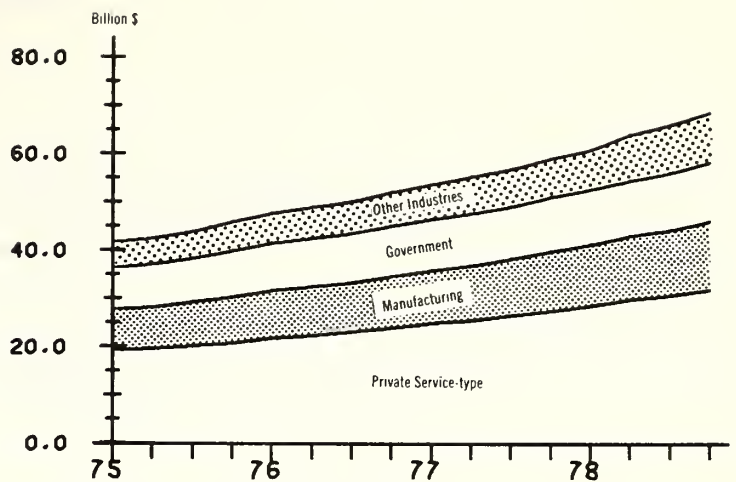


TABLE 2.—Personal Income, United States and Texas Through Fourth Quarter, 1978

| | United States | | | Texas | | | U.S. | State | U.S. | State |
|---|---------------|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 88,581 | 92,152 | 101,935 | 105,549 | 12.4 | 15.1 | 12.6 | 14.5 |
| Farm personal income | 31,224 | 39,451 | 1,257 | 1,697 | 1,444 | 1,461 | 47.9 | 14.9 | 26.3 | -13.9 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 87,325 | 90,455 | 100,491 | 104,088 | 11.9 | 15.1 | 12.3 | 15.1 |
| Total personal income | 1,583,508 | 1,782,519 | 88,581 | 92,152 | 101,935 | 105,549 | 12.4 | 15.1 | 12.6 | 14.5 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 56,977 | 59,245 | 66,198 | 68,728 | 12.1 | 16.2 | 12.6 | 16.0 |
| Other labor income | 96,016 | 111,719 | 5,564 | 5,872 | 6,781 | 7,037 | 17.0 | 21.9 | 16.4 | 19.8 |
| Proprietors' income | 105,953 | 125,995 | 6,620 | 7,163 | 7,643 | 7,969 | 21.5 | 15.5 | 18.9 | 11.2 |
| Farm | 23,636 | 31,044 | 890 | 1,318 | 1,054 | 1,055 | 66.6 | 18.4 | 31.3 | -20.0 |
| Nonfarm | 82,317 | 94,951 | 5,730 | 5,845 | 6,590 | 6,913 | 12.8 | 15.0 | 15.3 | 18.3 |
| Dividends, interest, and rent | 214,992 | 242,442 | 13,210 | 13,574 | 14,815 | 15,250 | 12.3 | 12.2 | 12.8 | 12.3 |
| Transfer payments | 215,944 | 233,750 | 9,858 | 10,075 | 10,907 | 11,092 | 8.8 | 10.6 | 8.2 | 10.1 |
| State unemployment insurance benefits | 11,128 | 7,753 | 172 | 192 | 157 | 150 | -24.0 | -8.4 | -30.3 | -21.8 |
| Less: personal contributions | 62,212 | 71,610 | 3,470 | 3,568 | 4,132 | 4,238 | 14.8 | 19.1 | 15.1 | 18.8 |
| Plus: residence adjustment | -401 | -473 | -177 | -209 | -277 | -288 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 56,977 | 59,245 | 66,198 | 68,728 | 12.1 | 16.2 | 12.6 | 16.0 |
| Farm | 7,176 | 7,939 | 358 | 369 | 380 | 395 | 8.5 | 6.4 | 10.6 | 7.1 |
| Nonfarm | 1,006,040 | 1,132,757 | 56,619 | 58,876 | 65,818 | 68,333 | 12.1 | 16.2 | 12.6 | 16.1 |
| Mining | 14,048 | 18,813 | 2,733 | 2,770 | 3,748 | 3,871 | 26.5 | 37.1 | 33.9 | 39.8 |
| Construction | 55,648 | 66,858 | 4,589 | 4,681 | 5,572 | 5,762 | 19.1 | 21.4 | 20.1 | 23.1 |
| Manufacturing | 276,112 | 312,970 | 11,815 | 12,408 | 13,689 | 14,257 | 12.1 | 15.9 | 13.3 | 14.9 |
| Durable goods | 176,216 | 203,053 | 6,658 | 7,110 | 7,990 | 8,357 | 13.7 | 20.0 | 15.2 | 17.5 |
| Nondurable goods | 99,896 | 109,917 | 5,157 | 5,299 | 5,699 | 5,900 | 9.4 | 10.5 | 10.0 | 11.4 |
| Private service-type | 455,764 | 515,348 | 26,518 | 27,508 | 30,782 | 31,907 | 12.8 | 16.1 | 13.1 | 16.0 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 4,571 | 4,853 | 5,309 | 5,523 | 10.4 | 16.1 | 11.3 | 13.8 |
| Wholesale and retail trade | 170,888 | 195,035 | 11,167 | 11,537 | 12,993 | 13,465 | 13.6 | 16.3 | 14.1 | 16.7 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 2,991 | 3,137 | 3,543 | 3,672 | 14.1 | 18.5 | 13.2 | 17.1 |
| Services | 153,840 | 173,396 | 7,789 | 7,981 | 8,937 | 9,246 | 12.6 | 14.7 | 12.7 | 15.8 |
| Government | 201,252 | 215,083 | 10,771 | 11,307 | 11,793 | 12,303 | 7.4 | 9.5 | 6.9 | 8.8 |
| Federal | 68,176 | 73,003 | 4,176 | 4,453 | 4,464 | 4,652 | 7.3 | 6.9 | 7.1 | 4.5 |
| State and local | 133,076 | 142,080 | 6,594 | 6,854 | 7,328 | 7,651 | 7.5 | 11.1 | 6.8 | 11.6 |
| Other | 3,216 | 3,685 | 195 | 201 | 235 | 234 | 18.7 | 20.5 | 14.6 | 16.1 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Texas Through Fourth Quarter, 1978¹

| | United States | | | Texas | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|------------------------|----------------|----------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III — 1978:III | | 1977:IV — 1978:IV | |
| | | | | | | | | | | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | | Percent change | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Dallas | --- | --- | 182.4 | 183.8 | 197.3 | 200.7 | --- | 8.2 | --- | 9.2 |
| Houston | --- | --- | 191.6 | 192.7 | 211.0 | 216.0 | --- | 10.1 | --- | 12.1 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Texas' civilian labor force increased 3.7 percent, compared with a 3.1-percent advance nationally (table 4). Total employment increased from 5.6 million to 5.8 million, a 4.1-percent advance that somewhat exceeded the 3.9-percent national average advance.

With employment increasing by 231,000 and the labor force increasing by only 220,000, the number of unemployed declined by 11,000. The unemployment rate declined 0.3 percentage point, to 4.6 percent of the labor force. While in 1977:IV, Texas' unemployment rate was 1.3

percentage points below the Nation's 6.2-percent rate, in 1978:IV, it was 0.7 percentage point below the Nation's 5.5-percent rate.

Across the State, unemployment rates varied considerably. According to preliminary data for December 1978, unemployment rates ranged from 3.3 percent in Austin to 8.7 percent in El Paso; the preliminary State rate was 4.7 percent. The two largest metropolitan areas, Dallas-Ft. Worth and Houston, registered rates of 3.7 and 3.6 percent, respectively.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Texas

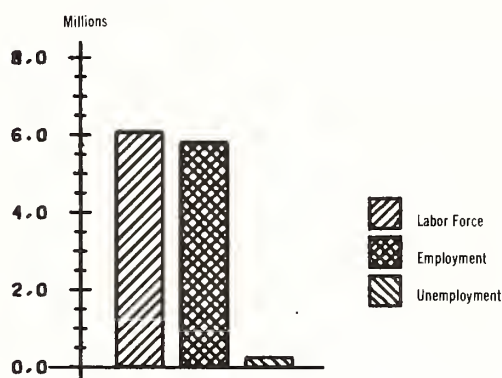


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

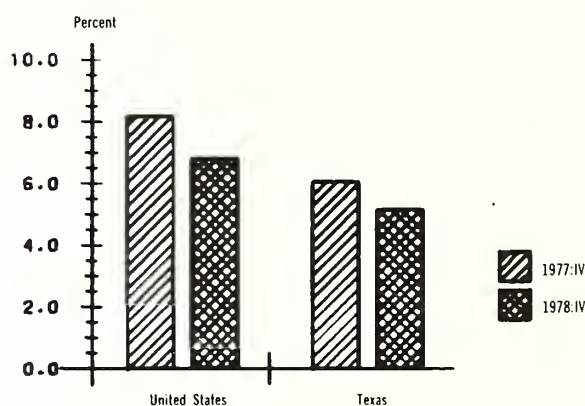


TABLE 4.—Labor Force, United States and Texas Through Fourth Quarter, 1978

| | United States | | | Texas | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 4,888 | 4,974 | 5,126 | 5,208 | 4.3 | 4.9 | 4.2 | 4.7 |
| Mining | 787 | 899 | 159 | 160 | 174 | 173 | 8.2 | 9.4 | 14.2 | 7.8 |
| Construction | 4,032 | 4,488 | 350 | 346 | 367 | 364 | 10.4 | 4.7 | 11.3 | 5.0 |
| Manufacturing | 19,986 | 20,722 | 904 | 916 | 952 | 964 | 3.1 | 5.3 | 3.7 | 5.2 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 314 | 314 | 330 | 333 | 3.8 | 5.4 | 4.4 | 6.1 |
| Wholesale and retail trade | 19,152 | 20,015 | 1,205 | 1,230 | 1,252 | 1,278 | 5.3 | 3.9 | 4.5 | 4.0 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 277 | 277 | 291 | 290 | 4.8 | 5.1 | -2.0 | 4.8 |
| Services | 15,539 | 16,215 | 847 | 854 | 885 | 886 | 4.6 | 4.5 | 4.4 | 3.7 |
| Government | 15,434 | 15,656 | 834 | 877 | 876 | 920 | 2.1 | 5.1 | 1.4 | 4.9 |
| Civilian labor force ³ | 98,591 | 101,615 | 5,820 | 5,880 | 6,026 | 6,100 | 3.2 | 3.5 | 3.1 | 3.7 |
| Total employed | 92,442 | 96,010 | 5,503 | 5,590 | 5,724 | 5,821 | 4.1 | 4.0 | 3.9 | 4.1 |
| Total unemployed | 6,149 | 5,605 | 317 | 290 | 303 | 279 | -9.8 | -4.7 | -8.8 | -3.9 |
| Percent unemployed | 6.2 | 5.5 | 5.5 | 4.9 | 5.0 | 4.6 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

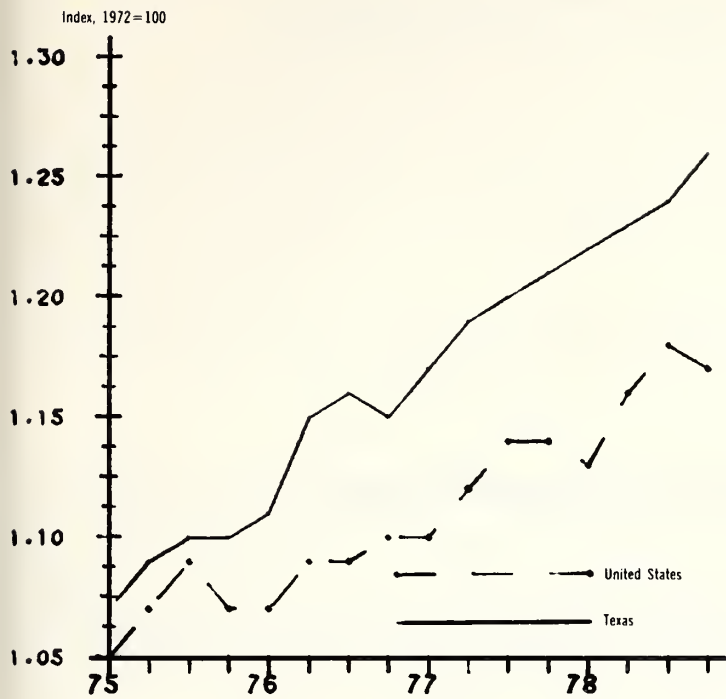


Chart 8.—Civilian Employment

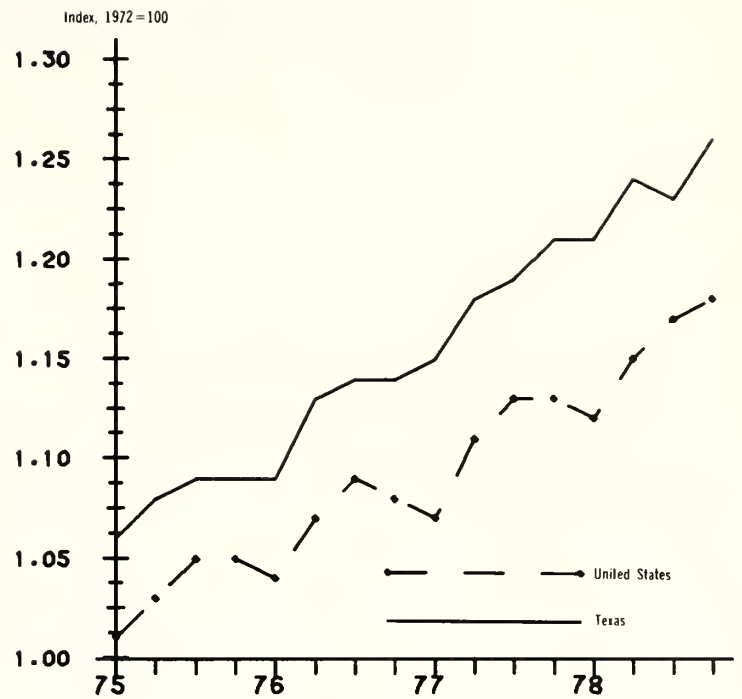


Chart 9.—Unemployment Rate

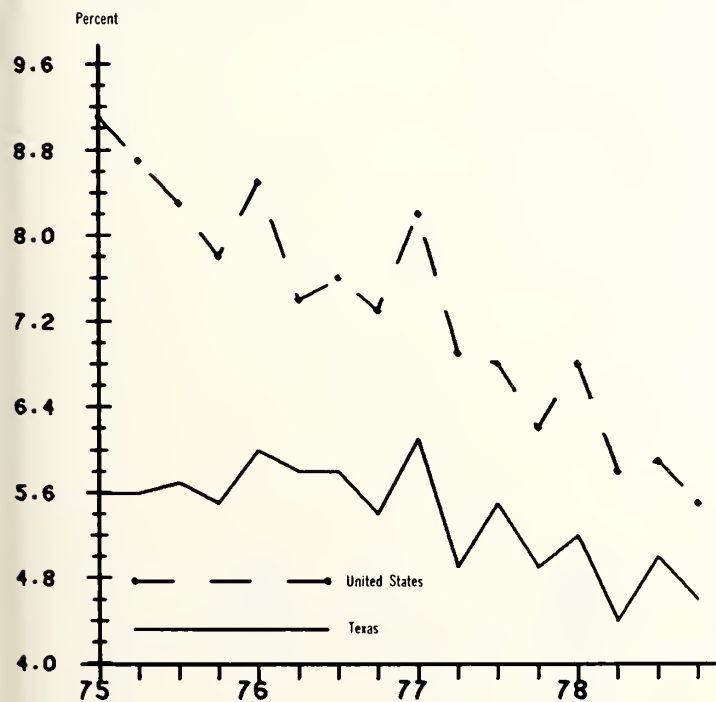
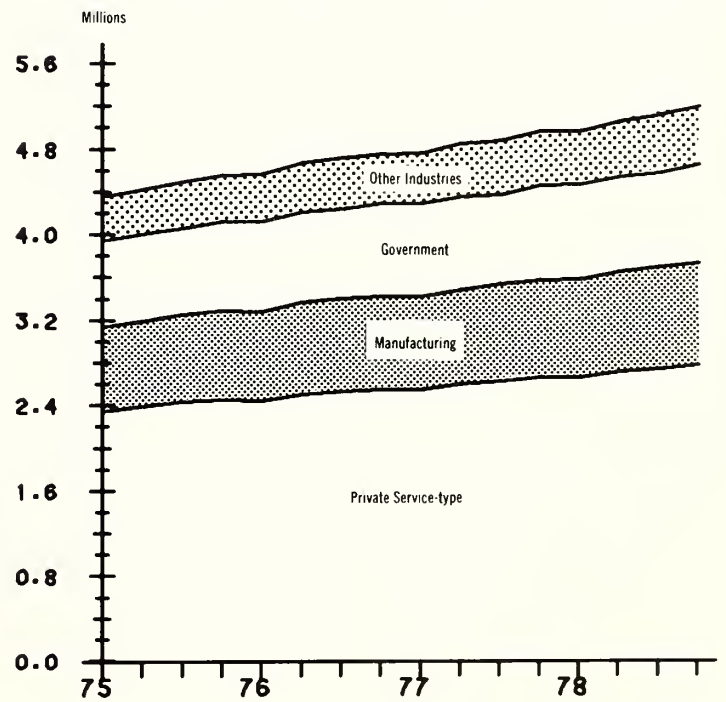


Chart 10.—Industrial Composition of Nonagricultural Employment: Texas



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Texas Through Fourth Quarter, 1978

| | United States | | | Texas | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|----------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III — 1978:III | | 1977:IV — 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 34,971 | 36,605 | 42,449 | n.a. | 16.3 | 21.4 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 13,691 | 14,327 | 16,503 | n.a. | 14.2 | 20.5 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 8,899 | 9,302 | 10,868 | n.a. | 20.2 | 22.1 | --- | --- |
| Real estate | 177,935 | n.a. | 6,687 | 7,197 | 8,908 | n.a. | 19.9 | 33.2 | --- | --- |
| Residential | 101,236 | n.a. | 1,889 | 2,022 | 2,643 | n.a. | 21.3 | 39.9 | --- | --- |
| Farms | 7,731 | n.a. | 436 | 444 | 496 | n.a. | 10.7 | 13.8 | --- | --- |
| Other | 68,968 | n.a. | 4,363 | 4,731 | 5,769 | n.a. | 19.0 | 32.2 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 2,034 | 1,924 | 2,172 | n.a. | 6.8 | 6.8 | --- | --- |
| Other | 69,947 | n.a. | 3,660 | 3,855 | 3,999 | n.a. | 8.0 | 9.3 | --- | --- |
| Total deposits | 925,511 | n.a. | 55,328 | 60,275 | 63,656 | n.a. | 11.5 | 15.1 | --- | --- |
| Demand | 377,683 | n.a. | 24,016 | 27,452 | 26,757 | n.a. | 10.2 | 11.4 | --- | --- |
| Time and savings | 547,828 | n.a. | 31,312 | 32,824 | 36,899 | n.a. | 12.3 | 17.8 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts rose 27.6 percent from 1977:IV to 1978:IV, to \$3.7 billion. The gain in Texas exceeded the Nation's average gain by almost 11 percentage points (table 6). Construction costs rose about 13 percent nationally over the period; if this rise reflects the advance throughout Texas, the real valuation of contracts in the State rose about 15 percent versus about 4 percent nationally.

The valuation of nonbuilding contracts rose 110.9 percent in the State, five times more than nationally. A \$435 million contract in 1978:IV for the construction of an electric generating plant in Lamb County raised the valuation of nonbuilding contracts in Texas to an unusually high level, thereby distorting the year-to-year change. If the plant is excluded, the valuation of nonbuilding contracts in the State would have increased only 2.8 percent. Contracts for streets and highways, a major component of nonbuilding contracts, declined 9.5 percent in valuation versus a 16.3-percent national decline.

The valuation of nonresidential contracts rose by one-fourth from year to year, almost 10 percentage points more than nationally, to \$948 million.

The valuation of contracts for additions and alterations to residential housekeeping units rose 25.6 percent (\$99 million), to \$487 million. The gain far outpaced the national average gain of 14.6 percent.

The valuation of residential housekeeping contracts rose 3.1 percent, one of the smallest gains in the Nation, to \$1.4 billion. Strong gains in valuation in Harris County (Houston) contrasted with declines in the remainder of the State. In 1978:IV, the Houston area accounted for more than one-fifth of the valuation of all residential housekeeping contracts in the State. The number of dwelling units started fell by over one-fourth, or almost 11,600, to 33,800. Only New Mexico registered a larger decline. Nationally, the number of dwelling units started was almost unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

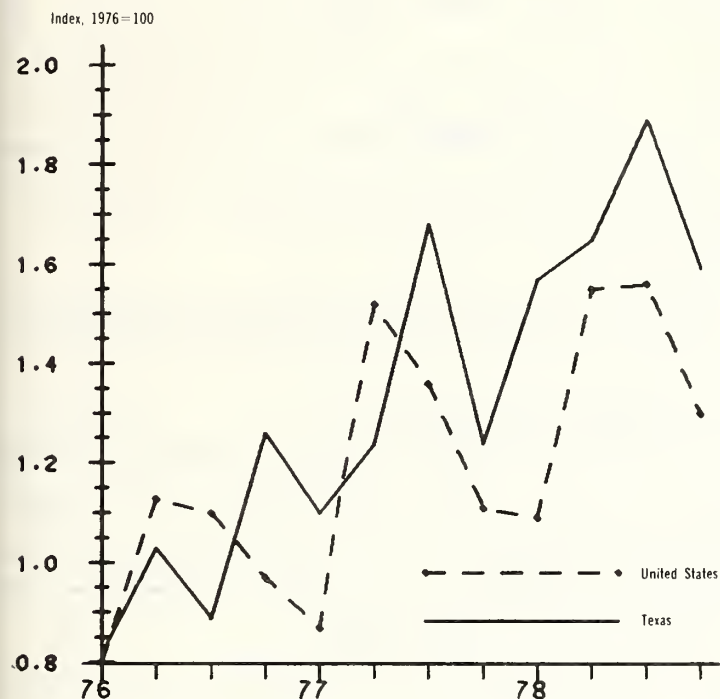


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Texas

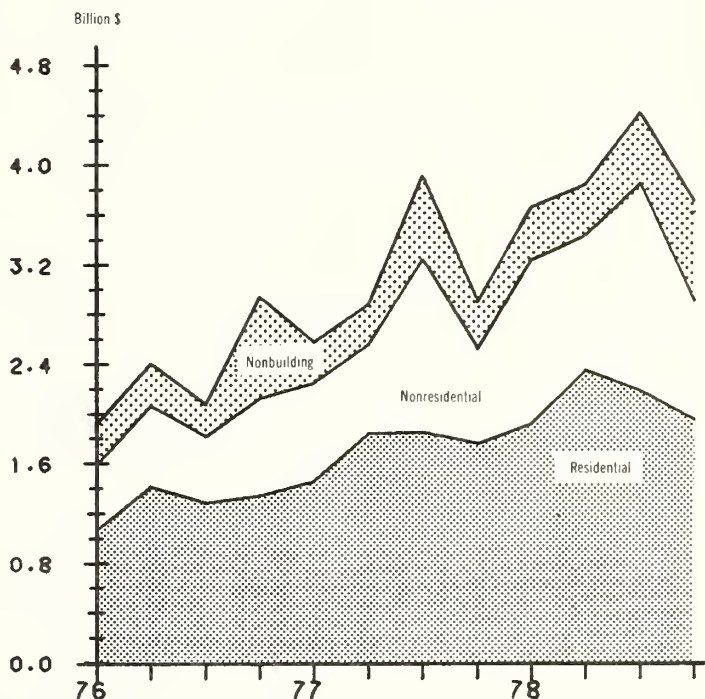


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

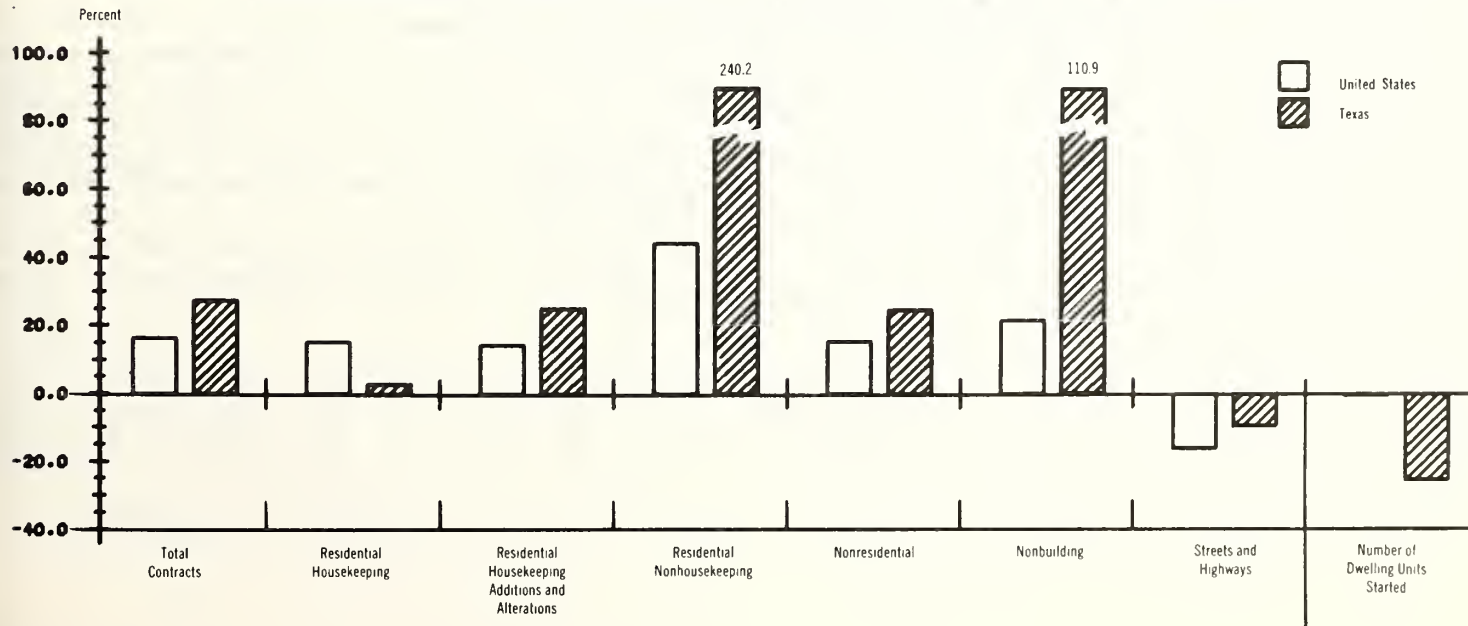


TABLE 6.—Construction Contracts, United States and Texas Through Fourth Quarter, 1978¹

| | United States | | | Texas | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|-----------|-----------|-----------|-----------|-----------------------------|---------------------|-------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 3,919,870 | 2,903,864 | 4,420,778 | 3,706,668 | 14.5 | 12.8 | 16.8 | 27.6 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars)..... | 7,707,987 | 8,832,353 | 416,425 | 387,648 | 518,857 | 486,710 | 16.8 | 24.6 | 14.6 | 25.6 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 4,924 | 4,754 | 4,908 | 4,265 | 4.4 | -3 | -9.3 | -10.3 |
| Valuation (thousands of dollars)..... | 31,205,124 | 36,627,420 | 3,503,445 | 2,516,216 | 3,901,921 | 3,219,958 | 14.0 | 11.4 | 17.4 | 28.0 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 91,202 | 87,019 | 102,540 | 94,080 | 10.8 | 12.4 | 10.2 | 8.1 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 1,089 | 1,104 | 1,006 | 959 | -5.1 | -7.6 | -4.3 | -13.1 |
| Number of dwelling units | 445,772 | 443,075 | 49,571 | 45,394 | 45,561 | 33,762 | 1.0 | -8.1 | -6 | -25.6 |
| Valuation (thousands of dollars)..... | 14,879,596 | 17,198,518 | 1,421,633 | 1,357,877 | 1,614,709 | 1,400,470 | 15.3 | 13.6 | 15.6 | 3.1 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 62,760 | 57,752 | 68,130 | 57,123 | 10.3 | 8.6 | 10.7 | -1.1 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 31 | 24 | 28 | 41 | -10.0 | -9.7 | -4 | 70.8 |
| Valuation (thousands of dollars)..... | 338,637 | 490,279 | 22,773 | 18,850 | 46,242 | 64,133 | 9.4 | 103.1 | 44.8 | 240.2 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 772 | 552 | 1,488 | 1,461 | -7 | 92.7 | 24.7 | 164.5 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 2,777 | 2,654 | 2,563 | 2,290 | -2.5 | -7.7 | -12.0 | -13.7 |
| Valuation (thousands of dollars)..... | 9,334,415 | 10,810,769 | 1,383,820 | 756,824 | 1,679,092 | 948,476 | 27.6 | 21.3 | 15.8 | 25.3 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 27,670 | 28,714 | 32,922 | 35,496 | 12.2 | 19.0 | 8.9 | 23.6 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 1,027 | 972 | 1,311 | 975 | 22.4 | 27.7 | -9.1 | .3 |
| Valuation (thousands of dollars)..... | 6,652,476 | 8,127,854 | 675,219 | 382,665 | 561,878 | 806,879 | -1 | -16.8 | 22.2 | 110.9 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 304 | 232 | 327 | 235 | 9.3 | 7.6 | -17.8 | 1.3 |
| Valuation (thousands of dollars)..... | 2,308,681 | 1,931,341 | 196,258 | 194,585 | 241,573 | 176,018 | 3.0 | 23.1 | -16.3 | -9.5 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Texas totaled \$14.0 billion in 1978:IV, up 12.4 percent increase (table 7). In 1978:IV, nondurable goods accounted for \$9.1 billion, and durable goods accounted for \$4.9 billion.

TABLE 7.—Retail Sales, United States and Texas Through Fourth Quarter, 1978

| | United States | | | Texas | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|---------|----------|---------|-----------------------|----------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Millions of dollars, not seasonally adjusted | | | | | | | Percent change | | |
| Retail sales..... | 197,030 | 219,020 | 11,576 | 12,428 | 13,289 | 13,971 | 10.3 | 14.8 | 11.2 | 12.4 |
| Durable goods..... | 62,065 | 71,573 | n.a. | n.a. | 4,836 | 4,852 | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | 8,453 | 9,119 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

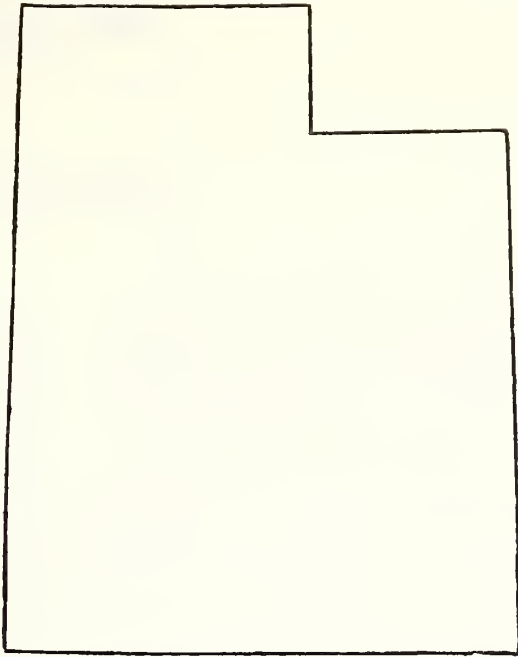
TABLE 8.—Business Incorporations and Failures, United States and Texas Through Fourth Quarter, 1978

| | United States | | | Texas | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 6,225 | 6,609 | 8,193 | n.a. | 8.2 | 31.6 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 79 | 101 | 147 | n.a. | -9.5 | 86.1 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 19,927 | 34,952 | 83,719 | n.a. | -44.2 | 320.1 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 252 | 346 | 570 | n.a. | -38.4 | 126.2 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 16 | 21 | 30 | n.a. | -10.1 | 87.5 | --- | --- |
| Construction | 319 | n.a. | 20 | 14 | 42 | n.a. | 1.0 | 110.0 | --- | --- |
| Wholesale trade | 191 | n.a. | 15 | 12 | 19 | n.a. | -27.1 | 26.7 | --- | --- |
| Retail trade | 688 | n.a. | 19 | 39 | 51 | n.a. | -4.2 | 168.4 | --- | --- |
| Commercial services | 238 | n.a. | 9 | 15 | 7 | n.a. | -24.0 | -22.2 | --- | --- |

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

UTAH



Highlights

1977:IV to 1978:IV

Personal income

- Up 15.6% vs. 12.6% in U.S., to \$9.2 billion
- Payrolls up 22.8% in manufacturing vs. 13.3% in U.S.
- Private service-type payrolls up 17.0% vs. 13.1% in U.S.

Employment

- Up 5.1% vs. 3.9% in U.S., to 536,000

Unemployment

- Down 6,000, to 19,000
- Rate down to 3.5% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts down 1.5% vs. 16.8% increase in U.S., to \$313.9 million
- Valuation of nonresidential contracts down 21.3% vs. 15.8% increase in U.S.
- Number of dwelling-unit starts down 9.7% vs. near stability in U.S., to 4,103

TABLE 1.—Summary of Economic Indicators, United States and Utah Through Fourth Quarter, 1978

| | United States | | | Utah | | | U.S. | State | U.S. | State |
|--|--|------------|----------|---------|----------|---------|------------------------|-----------------------|------------------------|-----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III — 1978:III | 1977:IV — 1978:III | 1977:III — 1978:III | 1977:IV — 1978:III |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 7,576 | 7,923 | 8,814 | 9,157 | 12.4 | 16.3 | 12.6 | 15.6 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 5,115 | 5,365 | 6,019 | 6,283 | 12.1 | 17.7 | 12.6 | 17.1 |
| Civilian employment (thousands) | 92,442 | 96,010 | 510 | 510 | 531 | 536 | 4.1 | 4.2 | 3.9 | 5.1 |
| Unemployment (thousands) | 6,149 | 5,605 | 26 | 25 | 18 | 19 | −9.8 | −30.4 | −8.8 | −22.9 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 4.9 | 4.7 | 3.3 | 3.5 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 2,930 | 3,107 | 3,503 | n.a. | 16.3 | 19.6 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 4,037 | 4,375 | 4,678 | n.a. | 11.5 | 15.9 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 319,430 | 318,497 | 440,152 | 313,855 | 14.5 | 37.8 | 16.8 | −1.5 |
| Dwelling units started (number) | 445,772 | 443,075 | 5,139 | 4,543 | 4,614 | 4,103 | 1.0 | −10.2 | −.6 | −9.7 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 956 | 1,025 | 1,035 | n.a. | 8.2 | 8.3 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 0 | 0 | 1 | n.a. | −9.5 | --- | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

n.a.: Data not available.
Source: See tables 2 through 8.

Analysis

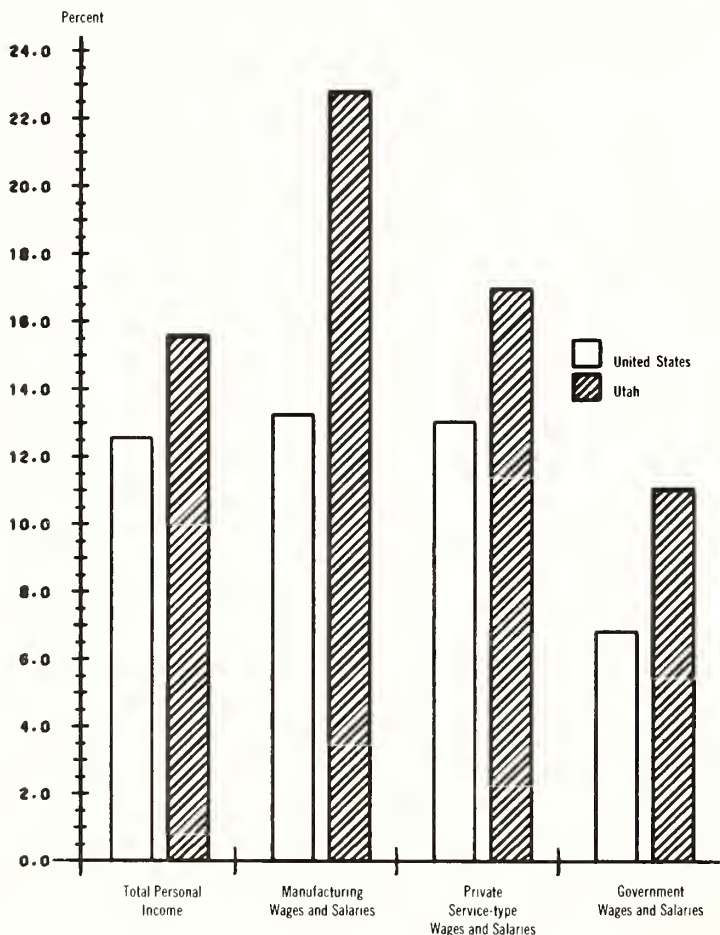
Personal Income

Total personal income (seasonally adjusted at annual rates) increased 15.6 percent from 1977:IV to 1978:IV, 3.0 percentage points more than nationally (table 2). Utah's increase was one of the largest in the Nation. In 1978:IV, the State's personal income totaled \$9.2 billion, up \$1.2 billion since 1977:IV.

Nonfarm personal income in Utah increased 15.7 percent from year to year, 3.4 percentage points more than nationally. Since the most recent national business cycle peak in 1973:IV, Utah's economy has grown considerably more rapidly than the Nation's; the increase in the State's nonfarm income was 33 percent more than nationally, ranking Utah sixth among all States.

Wage and salary disbursements (payrolls) increased 17.1 percent from 1977:IV to 1978:IV, 4.5 percentage points more than nationally. Utah's increase was the fourth largest in the Nation, after the increases in Wyoming, Nevada, and Arizona. In 1978:IV, Utah's payrolls totaled \$6.3 billion, up \$918 million since 1977:IV.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)



Manufacturing payrolls in the State scored sharp year-to-year increases. Durable goods manufacturing payrolls increased 23.2 percent, one of the largest increases in the Nation, versus 15.2 percent nationally. The \$835 million increase in the State's durables payrolls accounted for 17 percent of the year-to-year increase in all payrolls in Utah. Nondurable goods manufacturing payrolls increased 21.9 percent in the State, over twice as much as nationally; Utah's increase was the largest among all States.

Most of the components of Utah's private service-type industry registered payroll increases that exceeded corresponding national increases. Trade payrolls increased 21.1 percent in the State versus 14.1 percent nationally; the trade increase was larger in only Wyoming, Nevada, and Arizona. Payrolls in transportation-communication-public utilities increased 16.3 percent from year to year versus 11.3 percent nationally, and those in finance-insurance-real estate increased 15.7 percent versus 13.2 percent nationally. In contrast, services payrolls increased 12.5 percent in the State, fractionally less than the national increase.

State and local government payrolls increased 13.9 percent in Utah, compared with a 6.8-percent national increase. Utah's increase ranked third in the Nation, after increases in Mississippi and Alabama. Federal Government payrolls increased 7.9 percent in Utah and 7.1 percent nationally.

Construction payrolls increased 16.1 percent in the State versus 20.1 percent nationally. Mining payrolls increased 31.6 percent versus 33.9 percent nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 14.9 percent, one of the smallest declines in the Nation. Concurrently, unemployment insurance benefits declined 30.3 percent throughout the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

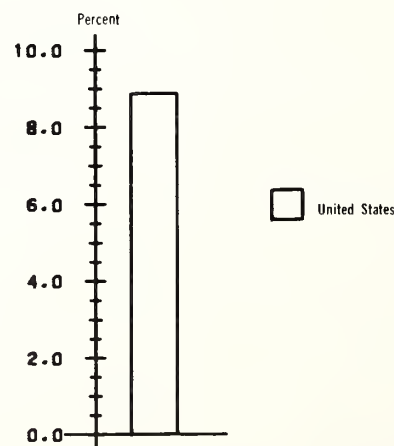


Chart 3.—Total Personal Income
[Seasonally adjusted]

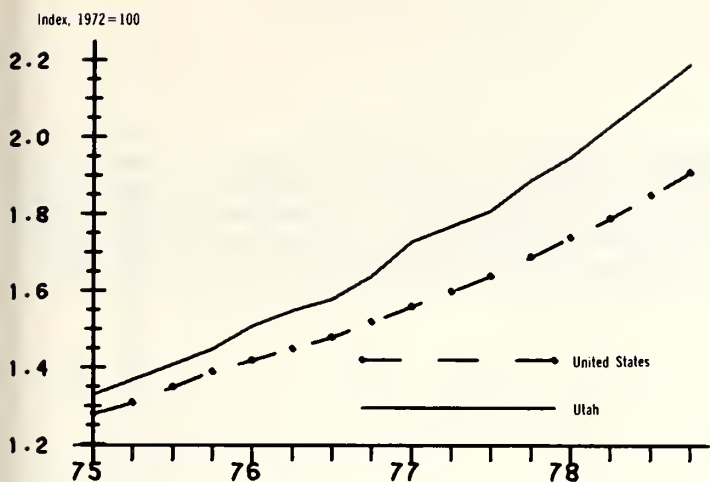


Chart 4.—Industrial Composition of Wages and Salaries: Utah
[Seasonally adjusted]

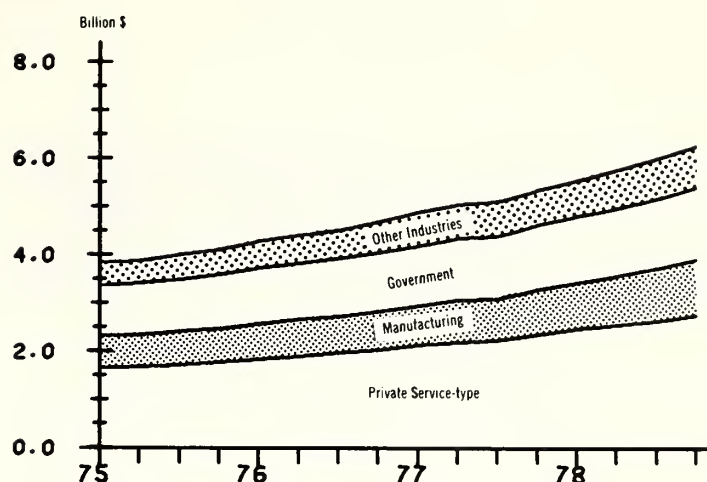


TABLE 2.—Personal Income, United States and Utah Through Fourth Quarter, 1978

| | United States | | | Utah | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 7,576 | 7,923 | 8,814 | 9,157 | 12.4 | 16.3 | 12.6 | 15.6 |
| Farm personal income | 31,224 | 39,451 | 79 | 113 | 124 | 119 | 47.9 | 55.8 | 26.3 | 4.8 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 7,497 | 7,810 | 8,690 | 9,038 | 11.9 | 15.9 | 12.3 | 15.7 |
| Total personal income | 1,583,508 | 1,782,519 | 7,576 | 7,923 | 8,814 | 9,157 | 12.4 | 16.3 | 12.6 | 15.6 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 5,115 | 5,365 | 6,019 | 6,283 | 12.1 | 17.7 | 12.6 | 17.1 |
| Other labor income | 96,016 | 111,719 | 443 | 471 | 551 | 576 | 17.0 | 24.5 | 16.4 | 22.3 |
| Proprietors' income | 105,953 | 125,995 | 462 | 503 | 550 | 565 | 21.5 | 19.1 | 18.9 | 12.3 |
| Farm | 23,636 | 31,044 | 52 | 84 | 94 | 88 | 66.6 | 81.8 | 31.3 | 3.8 |
| Nonfarm | 82,317 | 94,951 | 411 | 419 | 457 | 478 | 12.8 | 11.3 | 15.3 | 14.0 |
| Dividends, interest, and rent | 214,992 | 242,442 | 956 | 979 | 1,074 | 1,106 | 12.3 | 12.4 | 12.8 | 13.1 |
| Transfer payments | 215,944 | 233,750 | 929 | 949 | 1,018 | 1,039 | 8.8 | 9.5 | 8.2 | 9.6 |
| State unemployment insurance benefits | 11,128 | 7,753 | 41 | 42 | 32 | 36 | -24.0 | -21.5 | -30.3 | -14.9 |
| Less: personal contributions | 62,212 | 71,610 | 331 | 345 | 401 | 415 | 14.8 | 21.2 | 15.1 | 20.2 |
| Plus: residence adjustment | -401 | -473 | 2 | 2 | 3 | 3 | — | — | — | — |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 5,115 | 5,365 | 6,019 | 6,283 | 12.1 | 17.7 | 12.6 | 17.1 |
| Farm | 7,176 | 7,939 | 27 | 29 | 29 | 31 | 8.5 | 7.9 | 10.6 | 7.4 |
| Nonfarm | 1,006,040 | 1,132,757 | 5,088 | 5,337 | 5,990 | 6,252 | 12.1 | 17.7 | 12.6 | 17.2 |
| Mining | 14,048 | 18,813 | 258 | 249 | 324 | 328 | 26.5 | 25.4 | 33.9 | 31.6 |
| Construction | 55,648 | 66,858 | 414 | 434 | 478 | 504 | 19.1 | 15.6 | 20.1 | 16.1 |
| Manufacturing | 276,112 | 312,970 | 865 | 946 | 1,087 | 1,161 | 12.1 | 25.7 | 13.3 | 22.8 |
| Durable goods | 176,216 | 203,053 | 606 | 678 | 783 | 835 | 13.7 | 29.2 | 15.2 | 23.2 |
| Nondurable goods | 99,896 | 109,917 | 259 | 267 | 304 | 326 | 9.4 | 17.5 | 10.0 | 21.9 |
| Private service-type | 455,764 | 515,348 | 2,239 | 2,352 | 2,643 | 2,752 | 12.8 | 18.1 | 13.1 | 17.0 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 453 | 473 | 530 | 550 | 10.4 | 17.0 | 11.3 | 16.3 |
| Wholesale and retail trade | 170,888 | 195,035 | 908 | 943 | 1,089 | 1,142 | 13.6 | 19.9 | 14.1 | 21.1 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 221 | 238 | 265 | 276 | 14.1 | 20.2 | 13.2 | 15.7 |
| Services | 153,840 | 173,396 | 657 | 698 | 759 | 785 | 12.6 | 15.5 | 12.7 | 12.5 |
| Government | 201,252 | 215,083 | 1,304 | 1,347 | 1,448 | 1,496 | 7.4 | 11.0 | 6.9 | 11.1 |
| Federal | 68,176 | 73,003 | 599 | 621 | 637 | 669 | 7.3 | 6.3 | 7.1 | 7.9 |
| State and local | 133,076 | 142,080 | 705 | 726 | 811 | 827 | 7.5 | 15.1 | 6.8 | 13.9 |
| Other | 3,216 | 3,685 | 8 | 8 | 10 | 10 | 18.7 | 21.4 | 14.6 | 14.8 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Utah Through Fourth Quarter, 1978¹

| | United States | | | Utah | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Utah's civilian labor force increased 3.7 percent versus 3.1 percent nationally (table 4). Total employment increased 5.1 percent versus 3.9 percent nationally, to 536,000.

With employment increasing by 26,000 and the labor force increasing by 20,000, the number of unemployed declined by 6,000, to 19,000. Utah's

unemployment rate declined 1.2 percentage points, to 3.5 percent of the State's labor force. Utah's unemployment rate was the seventh lowest rate in the Nation, along with the 3.5-percent rates registered in New Hampshire and Wyoming. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Utah

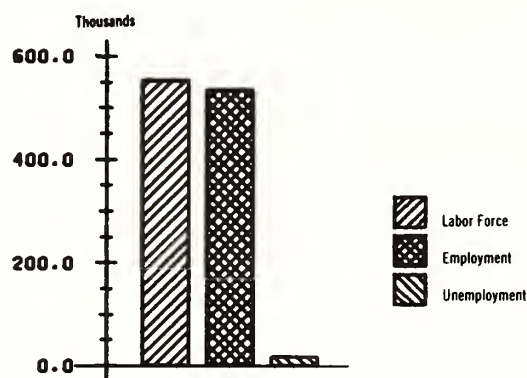


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

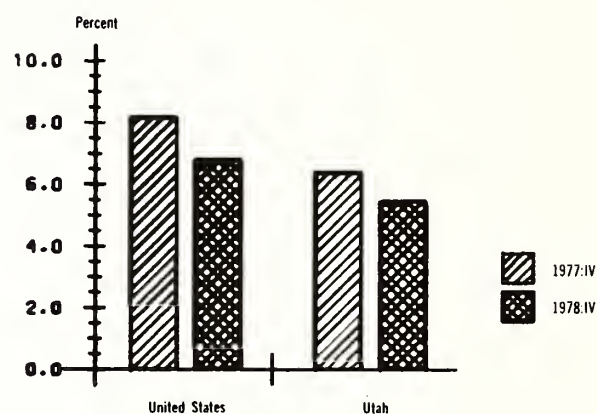


TABLE 4.—Labor Force, United States and Utah Through Fourth Quarter, 1978

| | United States | | | Utah | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 494 | 507 | 536 | 548 | 4.3 | 8.5 | 4.2 | 8.0 |
| Mining | 787 | 899 | 14 | 15 | 17 | 17 | 8.2 | 16.2 | 14.2 | 8.6 |
| Construction | 4,032 | 4,488 | 35 | 34 | 39 | 38 | 10.4 | 12.3 | 11.3 | 12.7 |
| Manufacturing | 19,986 | 20,722 | 76 | 77 | 81 | 82 | 3.1 | 6.9 | 3.7 | 6.5 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 30 | 30 | 33 | 33 | 3.8 | 9.3 | 4.4 | 9.9 |
| Wholesale and retail trade | 19,152 | 20,015 | 119 | 124 | 130 | 135 | 5.3 | 9.2 | 4.5 | 9.2 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 23 | 23 | 25 | 25 | 4.8 | 8.8 | -2.0 | 9.1 |
| Services | 15,539 | 16,215 | 83 | 86 | 92 | 94 | 4.6 | 10.2 | 4.4 | 9.4 |
| Government | 15,434 | 15,656 | 113 | 118 | 119 | 124 | 2.1 | 5.3 | 1.4 | 4.7 |
| Civilian labor force ³ | 98,591 | 101,615 | 537 | 535 | 550 | 555 | 3.2 | 2.5 | 3.1 | 3.7 |
| Total employed | 92,442 | 96,010 | 510 | 510 | 531 | 536 | 4.1 | 4.2 | 3.9 | 5.1 |
| Total unemployed | 6,149 | 5,605 | 26 | 25 | 18 | 19 | -9.8 | -30.4 | -8.8 | -22.9 |
| Percent unemployed | 6.2 | 5.5 | 4.9 | 4.7 | 3.3 | 3.5 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

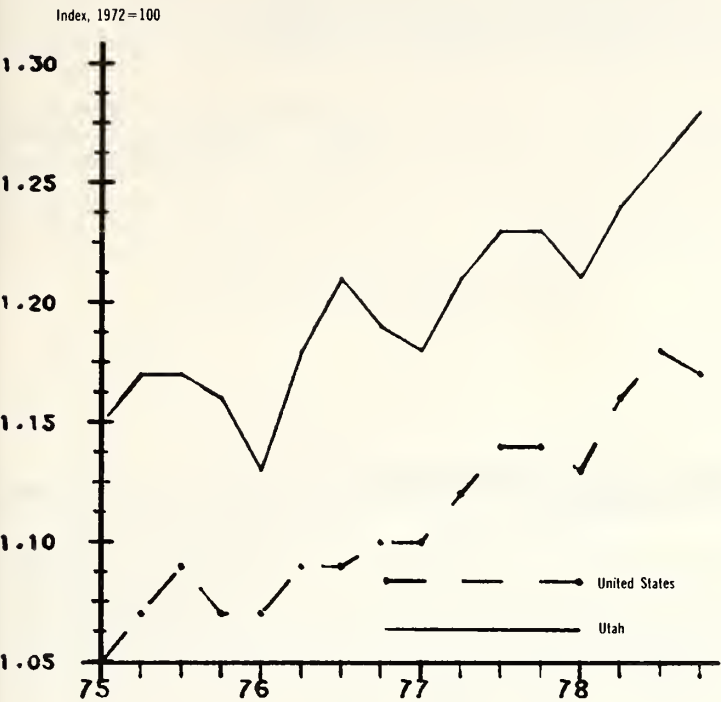


Chart 8.—Civilian Employment

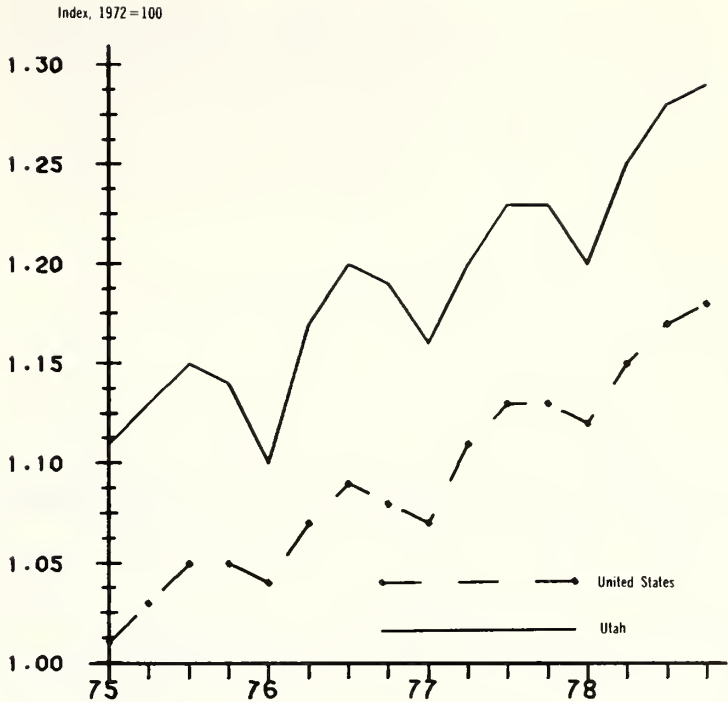


Chart 9.—Unemployment Rate

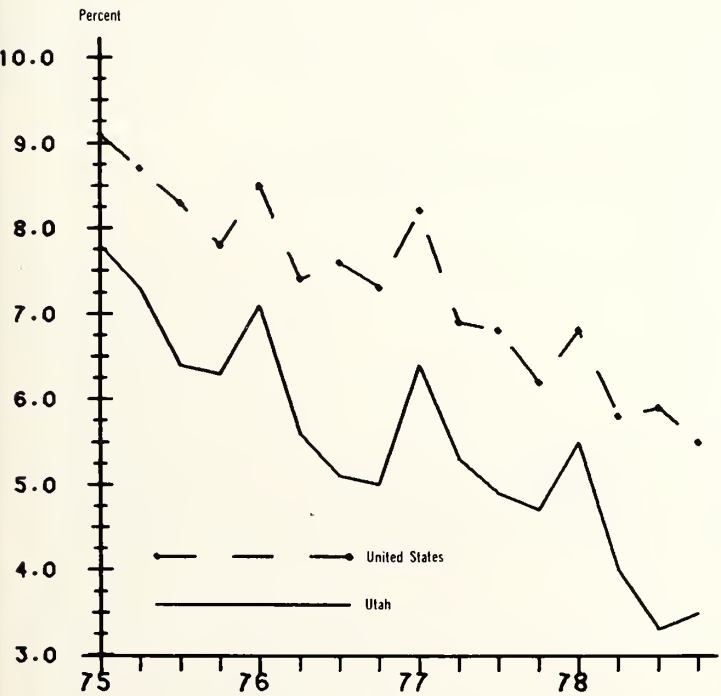
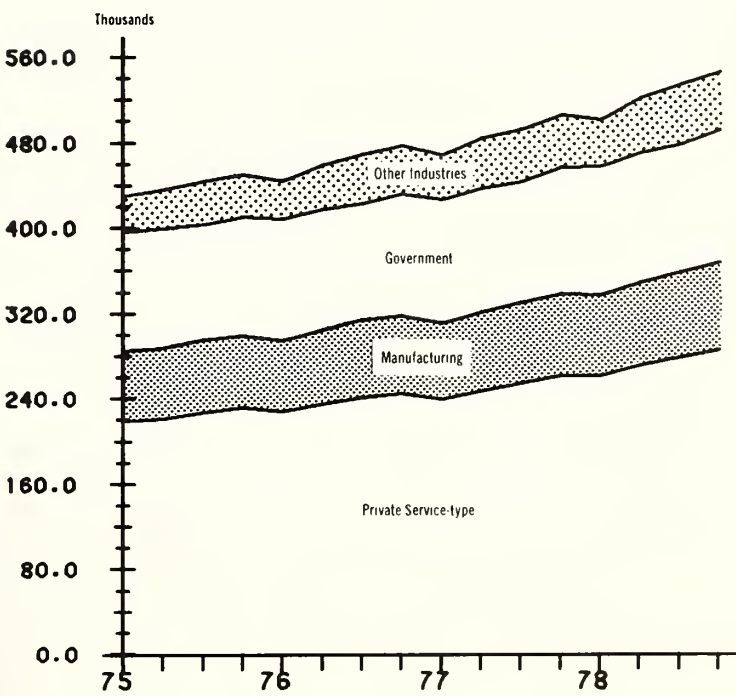


Chart 10.—Industrial Composition of Nonagricultural Employment: Utah



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Utah Through Fourth Quarter, 1978

| | United States | | | Utah | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|----------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III — 1978:III | | 1977:IV — 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 2,930 | 3,107 | 3,503 | n.a. | 16.3 | 19.6 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 887 | 968 | 1,045 | n.a. | 14.2 | 17.7 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 719 | 754 | 842 | n.a. | 20.2 | 17.1 | --- | --- |
| Real estate | 177,935 | n.a. | 1,101 | 1,134 | 1,352 | n.a. | 19.9 | 22.7 | --- | --- |
| Residential | 101,236 | n.a. | 615 | 594 | 707 | n.a. | 21.3 | 14.9 | --- | --- |
| Farms | 7,731 | n.a. | 21 | 19 | 32 | n.a. | 10.7 | 52.8 | --- | --- |
| Other | 68,968 | n.a. | 465 | 520 | 613 | n.a. | 19.0 | 31.8 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 104 | 108 | 106 | n.a. | 6.8 | 1.3 | --- | --- |
| Other | 69,947 | n.a. | 118 | 143 | 159 | n.a. | 8.0 | 35.1 | --- | --- |
| Total deposits | 925,511 | n.a. | 4,037 | 4,375 | 4,678 | n.a. | 11.5 | 15.9 | --- | --- |
| Demand | 377,683 | n.a. | 1,450 | 1,645 | 1,664 | n.a. | 10.2 | 14.7 | --- | --- |
| Time and savings | 547,828 | n.a. | 2,587 | 2,729 | 3,014 | n.a. | 12.3 | 16.5 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts declined 1.5 percent (\$4.6 million), to \$313.9 million (table 6). Utah's percent decline was one of the largest in the Nation. Nationally, the total valuation of contracts increased 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Utah sustained a real decline of nearly 15 percent versus a real increase in the Nation of about 4 percent.

Nonresidential contracts declined 21.3 percent in valuation in Utah, compared with a national increase of 15.8 percent. The State's decline was one of the largest nationally.

Nonbuilding contracts declined 7.1 percent in valuation versus a 22.2-percent national increase. In contrast, the valuation of street and

highway contracts, a major component of nonbuilding contracts, increased 161.7 percent, one of the largest increases in the Nation, compared with a national decline of 16.3 percent. In 1977:IV, the valuation of street and highway contracts in Utah had been at an unusually low level.

Residential housekeeping contracts increased 5.9 percent in valuation, compared with a national increase of 15.6 percent. The number of dwelling units started declined 9.7 percent (440 units), to 4,103 units; nationally, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased 29.6 percent in valuation in the State, 15.0 percentage points more than nationally.

Chart 14.—Construction Contracts—Total Valuation

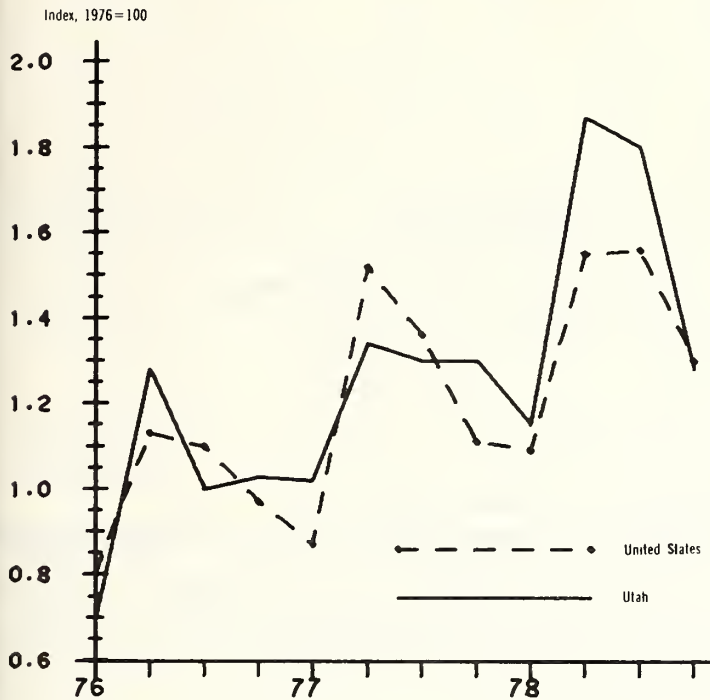


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Utah

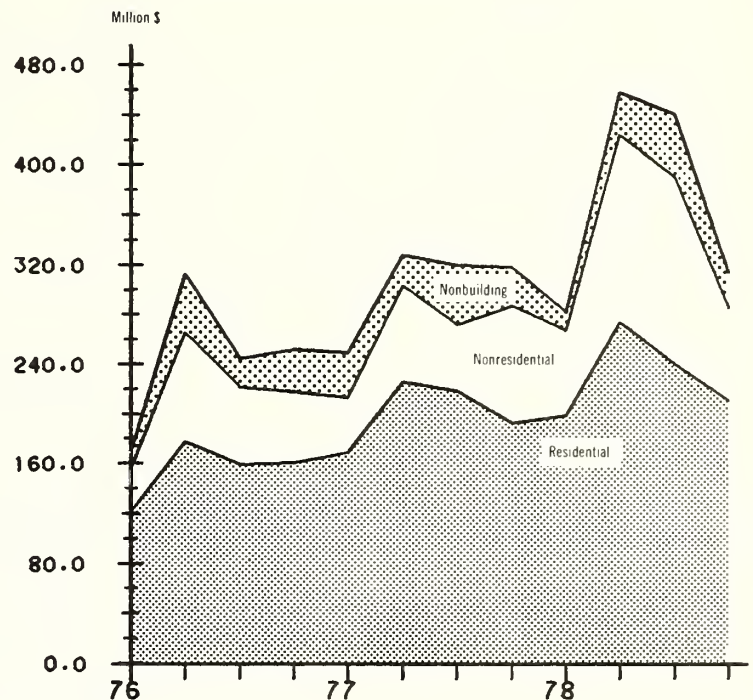


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

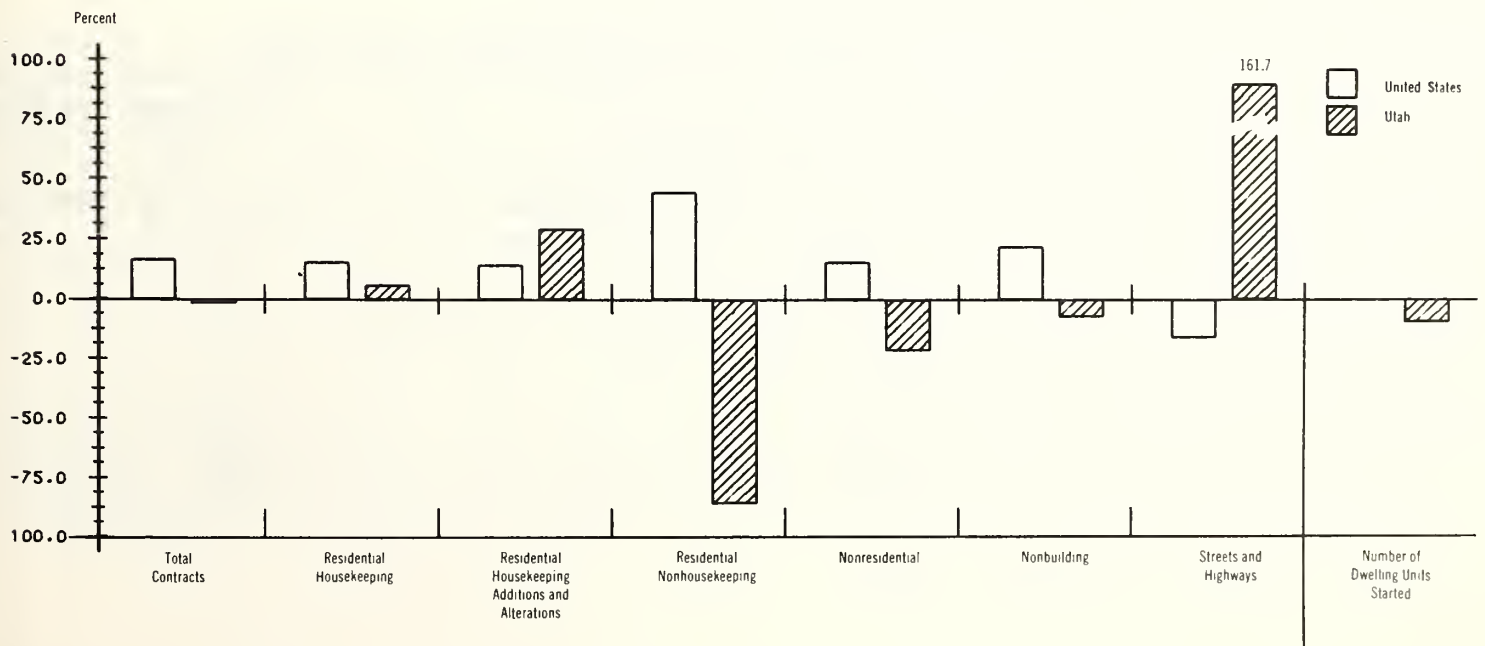


TABLE 6.—Construction Contracts, United States and Utah Through Fourth Quarter, 1978¹

| | United States | | | Utah | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|---------|----------|---------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 319,430 | 318,497 | 440,152 | 313,855 | 14.5 | 37.8 | 16.8 | -1.5 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 42,514 | 41,632 | 57,880 | 53,949 | 16.8 | 36.1 | 14.6 | 29.6 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 311 | 371 | 414 | 317 | 4.4 | 33.1 | -9.3 | -14.6 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 276,916 | 276,865 | 382,272 | 259,906 | 14.0 | 38.0 | 17.4 | -6.1 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 8,264 | 8,524 | 10,688 | 7,868 | 10.8 | 29.3 | 10.2 | -7.7 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 115 | 115 | 116 | 115 | -5.1 | .9 | -4.3 | .0 |
| Number of dwelling units | 445,772 | 443,075 | 5,139 | 4,543 | 4,614 | 4,103 | 1.0 | -10.2 | -.6 | -9.7 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 162,898 | 147,231 | 178,874 | 155,949 | 15.3 | 9.8 | 15.6 | 5.9 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 6,299 | 5,704 | 6,631 | 5,719 | 10.3 | 5.3 | 10.7 | .3 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 4 | 3 | 2 | 2 | -10.0 | -50.0 | -.4 | -33.3 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 12,763 | 3,863 | 3,322 | 535 | 9.4 | -74.0 | 44.8 | -86.2 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 355 | 104 | 60 | 3 | -.7 | -83.1 | 24.7 | -97.3 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 145 | 183 | 208 | 149 | -2.5 | 43.4 | -12.0 | -18.6 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 53,214 | 94,798 | 150,057 | 74,633 | 27.6 | 182.0 | 15.8 | -21.3 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 1,611 | 2,716 | 3,998 | 2,146 | 12.2 | 148.2 | 8.9 | -21.0 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 47 | 70 | 88 | 51 | 22.4 | 87.2 | -9.1 | -27.1 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 48,041 | 30,973 | 50,019 | 28,789 | -.1 | 4.1 | 22.2 | -7.1 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 15 | 19 | 39 | 18 | 9.3 | 160.0 | -17.8 | -5.3 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 25,808 | 7,529 | 30,113 | 19,706 | 3.0 | 16.7 | -16.3 | 161.7 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Utah are not available.

TABLE 7.—Retail Sales, United States and Utah Through Fourth Quarter, 1978

| | United States | | | Utah | | | U.S. | State | U.S. | State |
|------------------------|--|---------|----------|---------|----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Utah Through Fourth Quarter, 1978

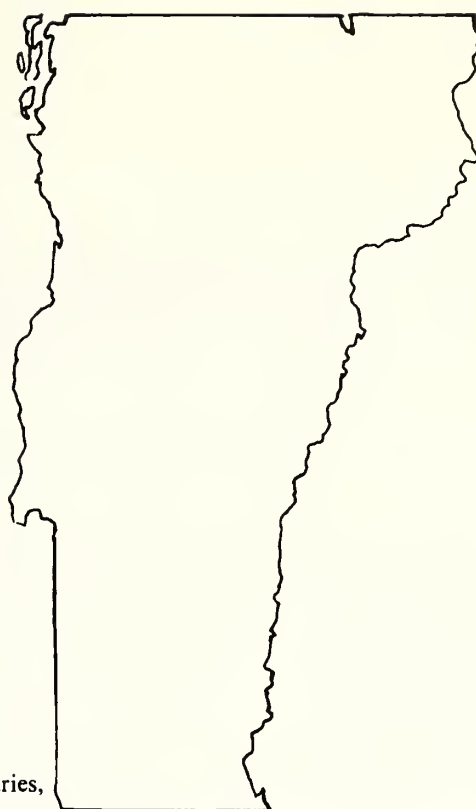
| | United States | | | Utah | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|---------|----------|---------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 956 | 1,025 | 1,035 | n.a. | 8.2 | 8.3 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 0 | 0 | 1 | n.a. | -9.5 | --- | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 0 | 0 | 141 | n.a. | -44.2 | --- | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 0 | 0 | 141 | n.a. | -38.4 | --- | --- | --- |
| Business failures by industry: | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 0 | 0 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 0 | 0 | 1 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 0 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 0 | 0 | 0 | n.a. | -4.2 | --- | --- | --- |
| Commercial services | 238 | n.a. | 0 | 0 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

VERMONT



Highlights

1977:IV to 1978:IV

Personal income

- Up 14.4%, 1.8 percentage points more than in U.S.
- Strong increases in manufacturing, private service-type industries, and construction

Consumer prices

- Up 7.5% in Boston vs. 8.9% in U.S.

Employment

- Up 5.9% vs. 3.9% in U.S., to 228,000

Unemployment

- Down 3,000, to 12,000
- Rate down to 4.8% of the labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts down 15.5% vs. an increase of 16.8% in U.S., to \$98 million
- Weakness in all major construction categories in State
- Number of dwelling-unit starts down 1.1% vs. little change in U.S., to 1,078

TABLE 1.—Summary of Economic Indicators, United States and Vermont Through Fourth Quarter, 1978

| | United States | | | Vermont | | | U.S. | State | U.S. | State |
|--|--|------------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 2,832 | 2,924 | 3,226 | 3,344 | 12.4 | 13.9 | 12.6 | 14.4 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 1,711 | 1,770 | 1,980 | 2,065 | 12.1 | 15.8 | 12.6 | 16.6 |
| Civilian employment (thousands) | 92,442 | 96,010 | 218 | 215 | 233 | 228 | 4.1 | 6.7 | 3.9 | 5.9 |
| Unemployment (thousands) | 6,149 | 5,605 | 14 | 15 | 11 | 12 | -9.8 | -25.6 | -8.8 | -22.5 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 6.1 | 6.5 | 4.4 | 4.8 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 1,204 | 1,244 | 1,390 | n.a. | 16.3 | 15.4 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 1,612 | 1,678 | 1,824 | n.a. | 11.5 | 13.1 | --- | --- |
| Total valuation of construction contracts (thouSands of dollars) | 38,913,111 | 45,459,773 | 97,690 | 115,487 | 120,964 | 97,591 | 14.5 | 23.8 | 16.8 | -15.5 |
| Dwelling units started (number) | 445,772 | 443,075 | 1,157 | 1,090 | 1,380 | 1,078 | 1.0 | 19.3 | -.6 | -1.1 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 267 | 345 | 267 | n.a. | 8.2 | .0 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 3 | 3 | 0 | n.a. | -9.5 | --- | --- | --- |
| Consumer Price Index (1967 = 100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Boston | --- | --- | 185.0 | 185.3 | 194.2 | 199.2 | --- | 5.0 | --- | 7.5 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 14.4 percent from 1977:IV to 1978:IV, 1.8 percentage points more than in the Nation (table 2). Among all States, Vermont's increase ranked 13th. In 1978:IV, the State's personal income totaled \$3.3 billion, for an increase of \$0.4 billion since 1977:IV. Changes in most major income components were above those registered in corresponding components nationally. Vermont was the only State in New England with an increase in total personal income that was well above the national average; most States in the region had increases that were close to the national average.

Since the last national business cycle peak (1973:IV), Vermont's economic growth has been close to the national average; the increase in nonfarm income was 2 percent more than nationally, ranking Vermont 30th among all States. Within the New England region, Vermont's increase was second only to New Hampshire's.

Consumer prices in Boston, the metropolitan area closest to Vermont for which price data are available, increased 7.5 percent from 1977:IV to

1978:IV versus a national increase of 8.9 percent (table 3). If Boston's index is used as an indicator for price movements in the State, real total personal income in Vermont increased 6.9 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 16.6 percent in Vermont versus 12.6 percent in the Nation. Among all States, Vermont's increase ranked fifth. In 1978:IV, payrolls totaled \$2.1 billion, up \$0.3 billion since 1977:IV.

Manufacturing payrolls increased 23.5 percent in Vermont, 10.2 percentage points more than in the Nation. Among all States, Vermont's increase ranked second, after Nevada's 27.3-percent increase. Vermont's manufacturing increase was particularly important because manufacturing payrolls accounted for 19.9 percent of Vermont's total income in 1978:IV versus 17.6 percent nationally. Strength extended to both durable and nondurable goods manufacturing. The increase in durable goods manufacturing payrolls was especially strong, 26.2 percent versus 15.2 percent nationally; durable goods payrolls accounted for 77.4 percent of all manufacturing payrolls in Vermont in 1978:IV. Nondurable goods payrolls increased 15.0 percent in the State and 10.0 percent in the Nation.

Private service-type industry payrolls also were strong—up 16.1 percent versus 13.1 percent nationally. Strength was particularly pronounced in services and trade. Construction payrolls increased 22.3 percent in Vermont and 20.1 percent in the Nation.

Government payrolls were relatively weak in Vermont—up 5.6 percent versus 6.9 percent nationally. The increases in both Federal and State and local government payrolls were smaller in Vermont than in the Nation.

With Vermont's economy expanding more rapidly than the national economy, State unemployment insurance benefits declined 39.9 percent in Vermont versus 30.3 percent in the Nation; only eight States had larger declines.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)

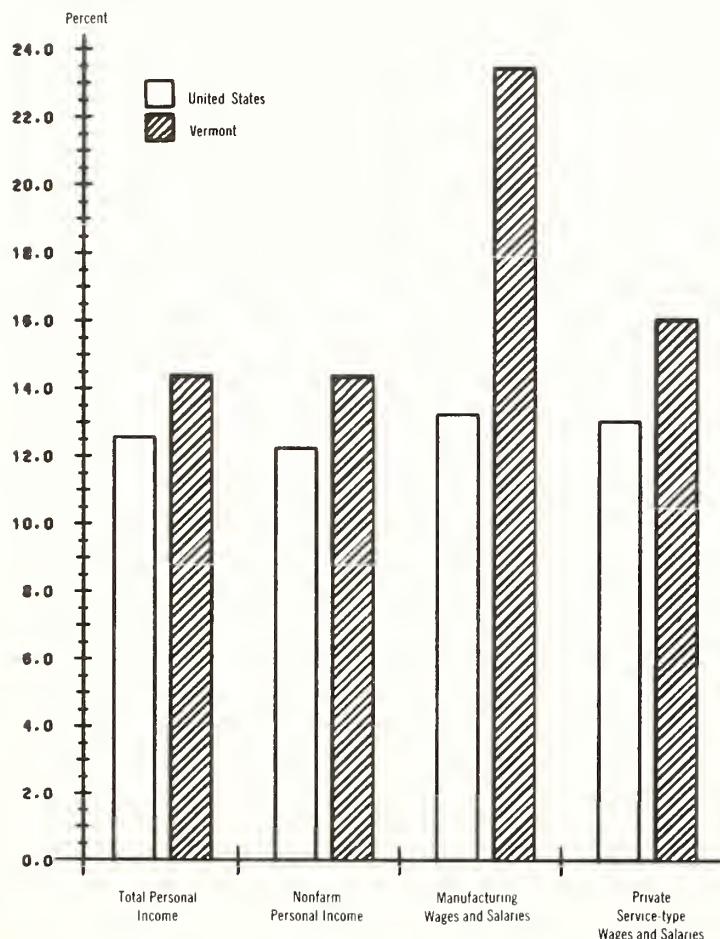


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

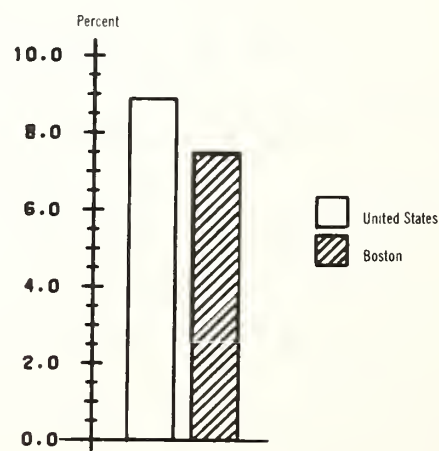


Chart 3.—Total Personal Income
[Seasonally adjusted]

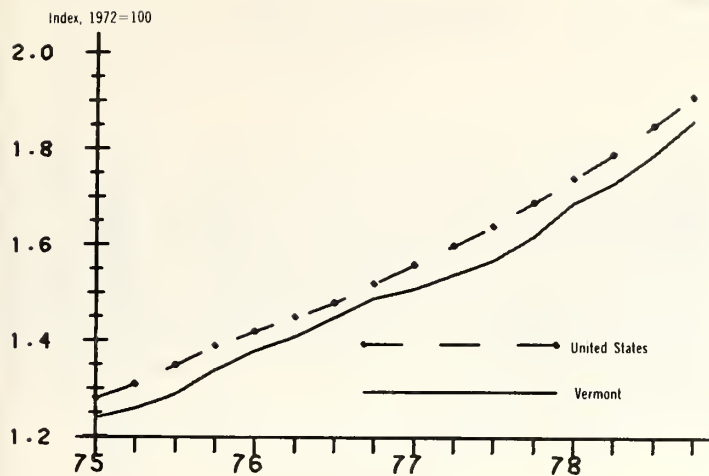


Chart 4.—Industrial Composition of Wages and Salaries: Vermont
[Seasonally adjusted]

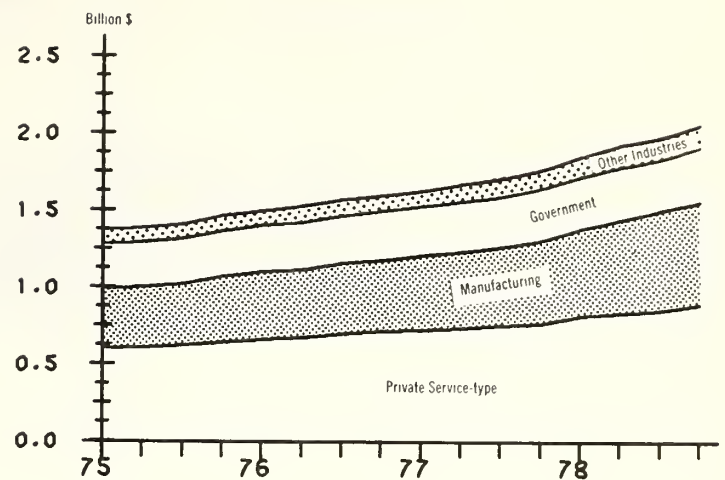


TABLE 2.—Personal Income, United States and Vermont Through Fourth Quarter, 1978

| | United States | | | Vermont | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 2,832 | 2,924 | 3,226 | 3,344 | 12.4 | 13.9 | 12.6 | 14.4 |
| Farm personal income..... | 31,224 | 39,451 | 66 | 72 | 81 | 82 | 47.9 | 23.8 | 26.3 | 14.7 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 2,766 | 2,852 | 3,145 | 3,262 | 11.9 | 13.7 | 12.3 | 14.4 |
| Total personal income | 1,583,508 | 1,782,519 | 2,832 | 2,924 | 3,226 | 3,344 | 12.4 | 13.9 | 12.6 | 14.4 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 1,711 | 1,770 | 1,980 | 2,065 | 12.1 | 15.8 | 12.6 | 16.6 |
| Other labor income | 96,016 | 111,719 | 160 | 169 | 197 | 205 | 17.0 | 23.2 | 16.4 | 20.8 |
| Proprietors' income..... | 105,953 | 125,995 | 241 | 250 | 281 | 289 | 21.5 | 16.7 | 18.9 | 15.4 |
| Farm | 23,636 | 31,044 | 46 | 51 | 59 | 59 | 66.6 | 29.6 | 31.3 | 16.9 |
| Nonfarm | 82,317 | 94,951 | 195 | 199 | 222 | 229 | 12.8 | 13.7 | 15.3 | 15.0 |
| Dividends, interest, and rent..... | 214,992 | 242,442 | 413 | 424 | 462 | 475 | 12.3 | 11.8 | 12.8 | 12.2 |
| Transfer payments | 215,944 | 233,750 | 446 | 454 | 476 | 487 | 8.8 | 6.8 | 8.2 | 7.3 |
| State unemployment insurance benefits..... | 11,128 | 7,753 | 26 | 27 | 13 | 16 | -24.0 | -49.8 | -30.3 | -39.9 |
| Less: personal contributions | 62,212 | 71,610 | 100 | 103 | 121 | 124 | 14.8 | 20.3 | 15.1 | 20.3 |
| Plus: residence adjustment..... | -401 | -473 | -39 | -40 | -50 | -52 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 1,711 | 1,770 | 1,980 | 2,065 | 12.1 | 15.8 | 12.6 | 16.6 |
| Farm | 7,176 | 7,939 | 18 | 20 | 20 | 21 | 8.5 | 10.8 | 10.6 | 9.1 |
| Nonfarm | 1,006,040 | 1,132,757 | 1,692 | 1,751 | 1,960 | 2,043 | 12.1 | 15.8 | 12.6 | 16.7 |
| Mining..... | 14,048 | 18,813 | 9 | 9 | 11 | 11 | 26.5 | 28.4 | 33.9 | 29.6 |
| Construction | 55,648 | 66,858 | 85 | 88 | 106 | 107 | 19.1 | 25.1 | 20.1 | 22.3 |
| Manufacturing | 276,112 | 312,970 | 511 | 540 | 646 | 667 | 12.1 | 26.3 | 13.3 | 23.5 |
| Durable goods | 176,216 | 203,053 | 382 | 409 | 496 | 516 | 13.7 | 29.9 | 15.2 | 26.2 |
| Nondurable goods | 99,896 | 109,917 | 130 | 132 | 150 | 151 | 9.4 | 15.7 | 10.0 | 15.0 |
| Private service-type | 455,764 | 515,348 | 756 | 772 | 859 | 896 | 12.8 | 13.7 | 13.1 | 16.1 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 111 | 119 | 125 | 129 | 10.4 | 12.8 | 11.3 | 8.3 |
| Wholesale and retail trade | 170,888 | 195,035 | 263 | 270 | 310 | 319 | 13.6 | 17.7 | 14.1 | 18.2 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 74 | 75 | 83 | 84 | 14.1 | 10.9 | 13.2 | 11.1 |
| Services..... | 153,840 | 173,396 | 307 | 308 | 342 | 365 | 12.6 | 11.3 | 12.7 | 18.4 |
| Government | 201,252 | 215,083 | 327 | 337 | 332 | 356 | 7.4 | 1.5 | 6.9 | 5.6 |
| Federal..... | 68,176 | 73,003 | 77 | 81 | 83 | 86 | 7.3 | 8.1 | 7.1 | 6.7 |
| State and local | 133,076 | 142,080 | 251 | 256 | 249 | 270 | 7.5 | -5 | 6.8 | 5.3 |
| Other | 3,216 | 3,685 | 5 | 5 | 6 | 6 | 18.7 | 17.3 | 14.6 | 17.0 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Vermont Through Fourth Quarter, 1978¹

| | United States | | | Vermont | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Boston..... | --- | --- | 185.0 | 185.3 | 194.2 | 199.2 | --- | 5.0 | --- | 7.5 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, labor market conditions in Vermont were strong. The **civilian labor force** increased 4.1 percent, 1 percentage point more than in the Nation (table 4). Only 16 States had larger increases. **Total employment** in Vermont increased 5.9 percent, 2 percentage points more than in the Nation, to 228,000. Only eight States had larger increases than Vermont, which was the only New England State with an above-average increase.

With the labor force increasing 10,000 and employment increasing 13,000, **unemployment** declined 3,000, to 12,000. In 1978:IV, the **unemployment rate** in Vermont was 4.8 percent versus a national rate of 5.5 percent. Vermont's unemployment rate declined 1.7 percentage points from year to year versus a decline in the Nation of 0.7 percentage point. Only three States had sharper declines: Nevada (2.3 percentage points) and Rhode Island and Maine (2.0 percentage points each). All New England States except Connecticut had sharp declines in unemployment rates.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Vermont

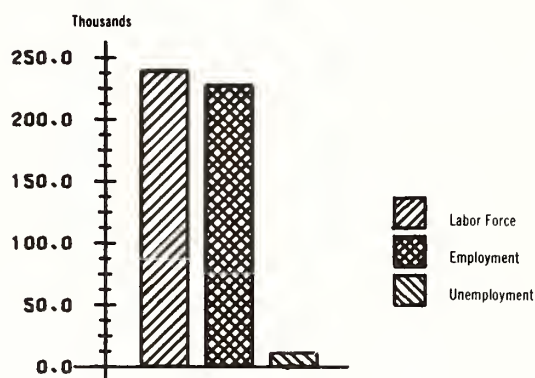


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

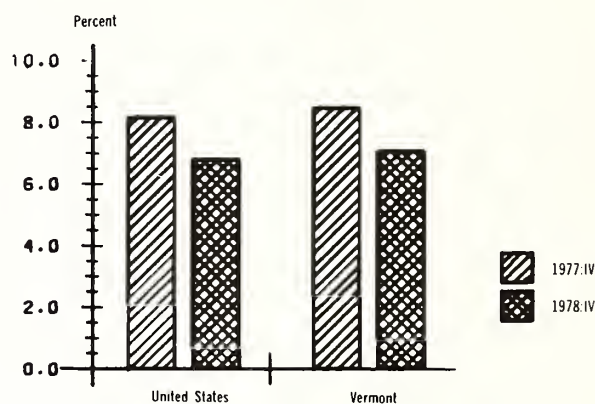


TABLE 4.—Labor Force, United States and Vermont Through Fourth Quarter, 1978

| | United States | | | Vermont | | | U.S. | State | U.S. | State |
|---|--|----------------|------------|------------|------------|------------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 182 | 183 | 192 | 191 | 4.3 | 5.8 | 4.2 | 4.3 |
| Mining | 787 | 899 | 1 | 1 | 1 | 1 | 8.2 | 14.3 | 14.2 | 14.3 |
| Construction | 4,032 | 4,488 | 10 | 9 | 10 | 9 | 10.4 | -1.0 | 11.3 | -5.4 |
| Manufacturing | 19,986 | 20,722 | 44 | 45 | 48 | 49 | 3.1 | 10.0 | 3.7 | 9.2 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 9 | 9 | 9 | 9 | 3.8 | 2.4 | 4.4 | 3.5 |
| Wholesale and retail trade | 19,152 | 20,015 | 37 | 38 | 40 | 40 | 5.3 | 8.0 | 4.5 | 6.4 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 7 | 7 | 8 | 7 | 4.8 | 4.2 | -2.0 | 2.8 |
| Services | 15,539 | 16,215 | 41 | 40 | 43 | 42 | 4.6 | 3.1 | 4.4 | 4.0 |
| Government | 15,434 | 15,656 | 33 | 35 | 33 | 34 | 2.1 | -6 | 1.4 | -2.3 |
| Civilian labor force³ | 98,591 | 101,615 | 232 | 230 | 243 | 240 | 3.2 | 4.7 | 3.1 | 4.1 |
| Total employed | 92,442 | 96,010 | 218 | 215 | 233 | 228 | 4.1 | 6.7 | 3.9 | 5.9 |
| Total unemployed | 6,149 | 5,605 | 14 | 15 | 11 | 12 | -9.8 | -25.6 | -8.8 | -22.5 |
| Percent unemployed | 6.2 | 5.5 | 6.1 | 6.5 | 4.4 | 4.8 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

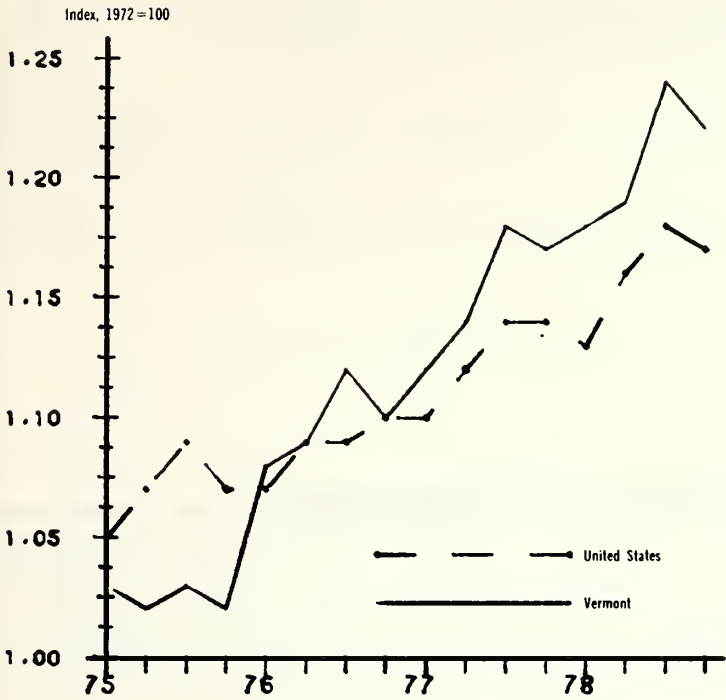


Chart 8.—Civilian Employment

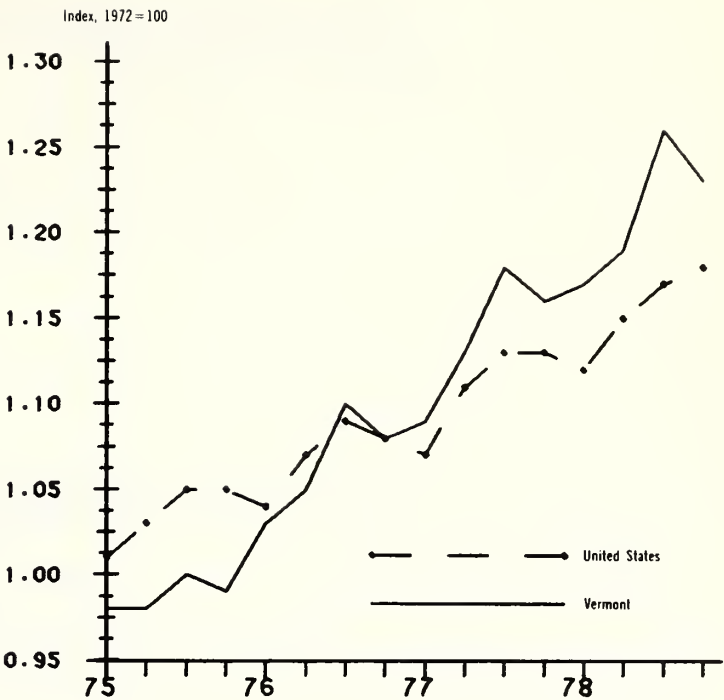


Chart 9.—Unemployment Rate

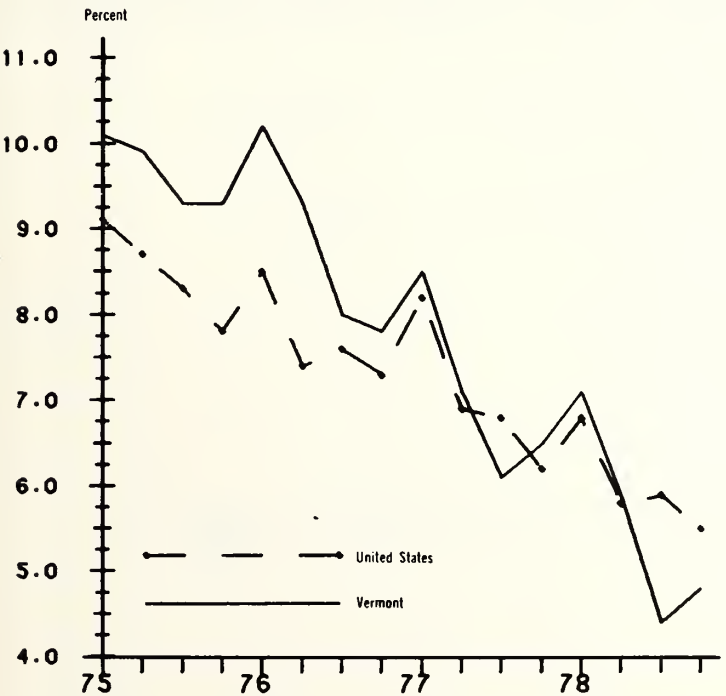
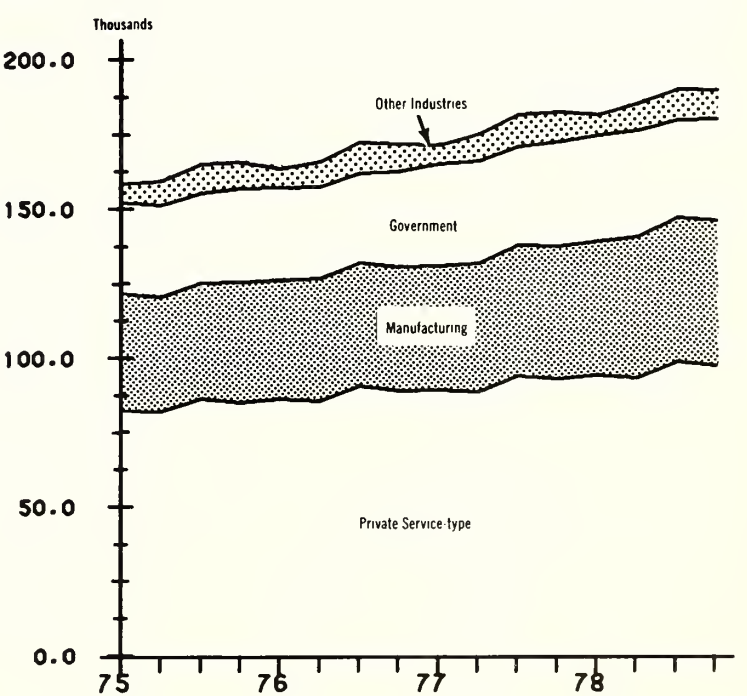


Chart 10.—Industrial Composition of Nonagricultural Employment: Vermont



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Vermont Through Fourth Quarter, 1978

| | United States | | | Vermont | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 1,204 | 1,244 | 1,390 | n.a. | 16.3 | 15.4 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 231 | 236 | 265 | n.a. | 14.2 | 14.9 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 265 | 273 | 303 | n.a. | 20.2 | 14.5 | --- | --- |
| Real estate | 177,935 | n.a. | 675 | 701 | 781 | n.a. | 19.9 | 15.7 | --- | --- |
| Residential | 101,236 | n.a. | 456 | 472 | 524 | n.a. | 21.3 | 14.8 | --- | --- |
| Farms | 7,731 | n.a. | 21 | 22 | 22 | n.a. | 10.7 | 3.8 | --- | --- |
| Other | 68,968 | n.a. | 197 | 208 | 235 | n.a. | 19.0 | 19.2 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 20 | 19 | 22 | n.a. | 6.8 | 9.3 | --- | --- |
| Other | 69,947 | n.a. | 14 | 14 | 19 | n.a. | 8.0 | 35.4 | --- | --- |
| Total deposits | 925,511 | n.a. | 1,612 | 1,678 | 1,824 | n.a. | 11.5 | 13.1 | --- | --- |
| Demand | 377,683 | n.a. | 386 | 415 | 443 | n.a. | 10.2 | 14.7 | --- | --- |
| Time and savings | 547,828 | n.a. | 1,226 | 1,263 | 1,382 | n.a. | 12.3 | 12.7 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts declined 15.5 percent in Vermont, in sharp contrast with an increase of 16.8 percent in the Nation (table 6). Only two States—Wyoming and North Dakota—had larger declines. All major construction markets in the State were weaker than corresponding national markets. In 1978:IV, contracts in the State totaled \$98 million, for a loss over the year of \$17 million.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Vermont, the real valuation of construction contracts declined about 28 percent versus an increase of about 4 percent in the Nation.

The valuation of nonbuilding contracts declined 69.0 percent in Vermont versus an increase of 22.2 percent in the Nation. Partly ac-

counting for the decline in the State was a decline of 78.4 percent in the valuation of street and highway contracts, compared with a decline of 16.3 percent in the Nation.

The valuation of nonresidential contracts declined 20.8 percent in the State, in sharp contrast with a gain of 15.8 percent in the Nation. Only eight States had sharper declines.

Contracts for additions and alterations to residential housekeeping units increased only 2.8 percent in valuation in the State, in sharp contrast with an increase of 14.6 percent in the Nation. The valuation of residential housekeeping contracts increased 8.4 percent versus 15.6 percent nationally. The number of dwelling units started declined 1.1 percent, to 1,078 units. In the Nation, the number of dwelling units started was virtually unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

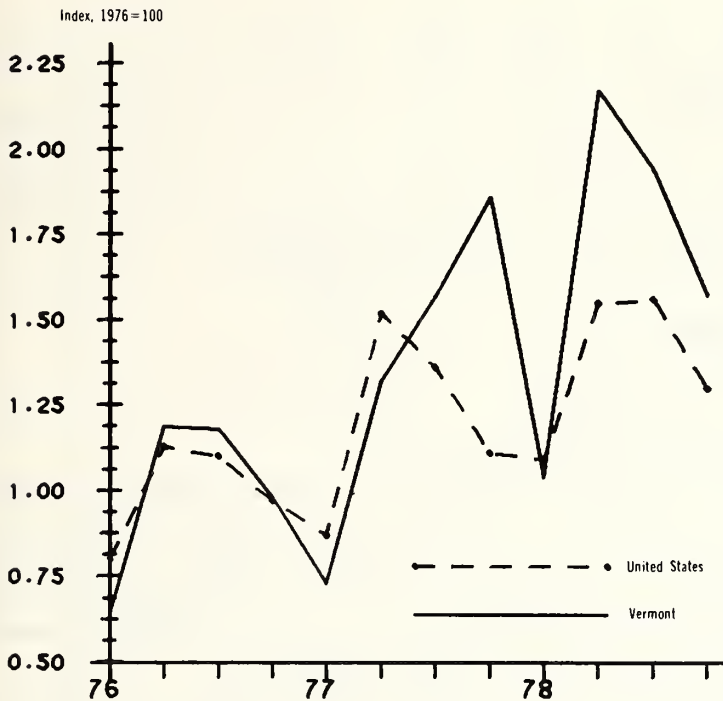


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Vermont

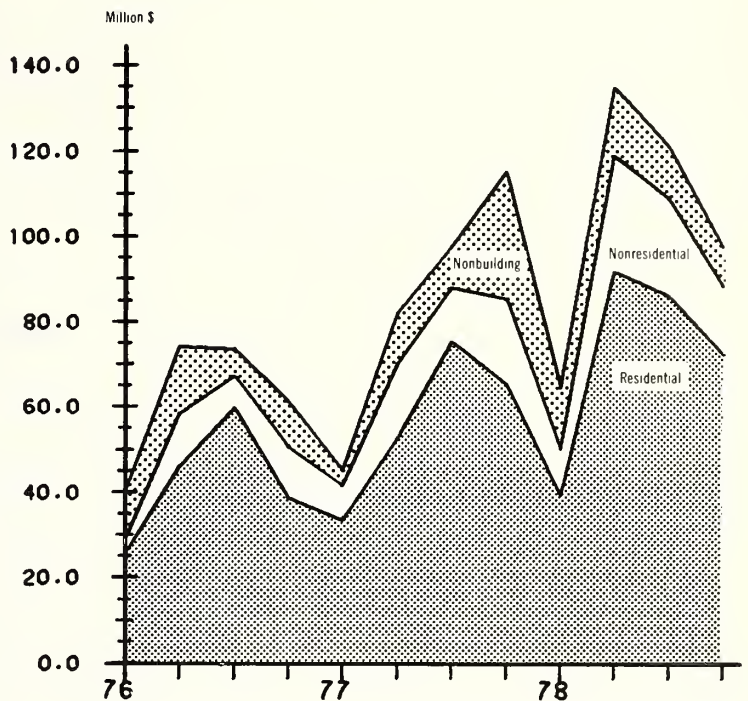


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

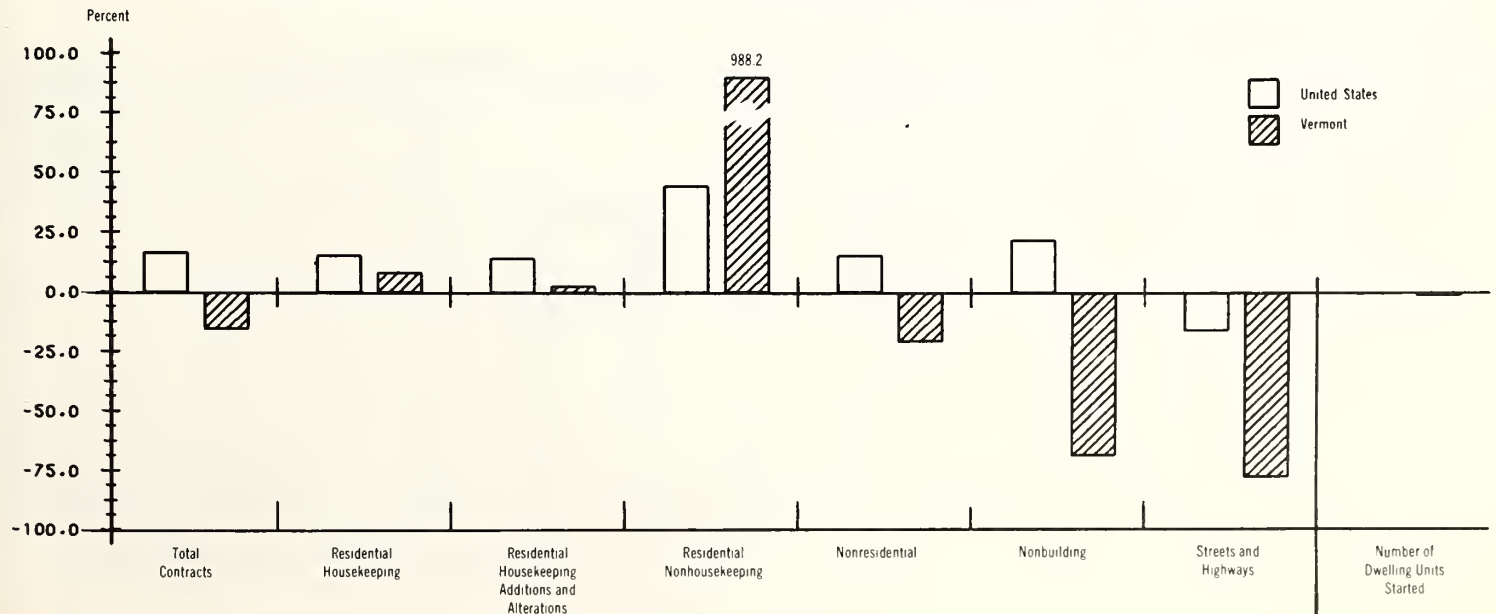


TABLE 6.—Construction Contracts, United States and Vermont Through Fourth Quarter, 1978¹

| | United States | | | Vermont | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 97,690 | 115,487 | 120,964 | 97,591 | 14.5 | 23.8 | 16.8 | -15.5 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 39,247 | 28,163 | 36,704 | 28,954 | 16.8 | -6.5 | 14.6 | 2.8 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 173 | 233 | 202 | 142 | 4.4 | 16.8 | -9.3 | -39.1 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 58,443 | 87,324 | 84,260 | 68,637 | 14.0 | 44.2 | 17.4 | -21.4 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 1,914 | 1,920 | 2,630 | 1,881 | 10.8 | 37.4 | 10.2 | -2.1 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 55 | 51 | 61 | 53 | -5.1 | 10.9 | -4.3 | 3.9 |
| Number of dwelling units | 445,772 | 443,075 | 1,157 | 1,090 | 1,380 | 1,078 | 1.0 | 19.3 | -6 | -1.1 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 35,921 | 36,751 | 48,225 | 39,832 | 15.3 | 34.3 | 15.6 | 8.4 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 1,496 | 1,391 | 1,885 | 1,533 | 10.3 | 26.0 | 10.7 | 10.2 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 2 | 1 | 2 | 3 | -10.0 | .0 | -4 | 200.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 155 | 321 | 1,098 | 3,493 | 9.4 | 608.4 | 44.8 | 988.2 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 6 | 0 | 39 | 71 | -7 | 600.0 | 24.7 | --- |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 51 | 78 | 65 | 41 | -2.5 | 27.5 | -12.0 | -47.4 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 12,637 | 20,179 | 22,924 | 15,985 | 27.6 | 81.4 | 15.8 | -20.8 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 413 | 529 | 706 | 276 | 12.2 | 71.0 | 8.9 | -47.8 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 65 | 103 | 74 | 45 | 22.4 | 13.8 | -9.1 | -56.3 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 9,730 | 30,073 | 12,013 | 9,327 | -1 | 23.5 | 22.2 | -69.0 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 29 | 26 | 27 | 12 | 9.3 | -6.9 | -17.8 | -53.8 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 4,719 | 13,113 | 5,141 | 2,833 | 3.0 | 8.9 | -16.3 | -78.4 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Vermont are not available.

TABLE 7.—Retail Sales, United States and Vermont Through Fourth Quarter, 1978

| | United States | | | Vermont | | | U.S. | State | U.S. | State |
|------------------------|--|---------|----------|---------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Vermont Through Fourth Quarter, 1978

| | United States | | | Vermont | | | U.S. | State | U.S. | State |
|--|---------------|---------|----------|---------|----------|----------------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Not seasonally adjusted | | | | | | Percent change | | | | |
| New business incorporations | 109,411 | n.a. | 267 | 345 | 267 | n.a. | 8.2 | .0 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 3 | 3 | 0 | n.a. | -9.5 | --- | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 59 | 1,173 | 0 | n.a. | -44.2 | --- | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 20 | 391 | 0 | n.a. | -38.4 | --- | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 1 | 0 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 1 | 2 | 0 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade | 191 | n.a. | 1 | 0 | 1 | n.a. | -27.1 | .0 | --- | --- |
| Retail trade | 688 | n.a. | 1 | 0 | 0 | n.a. | -4.2 | --- | --- | --- |
| Commercial services | 238 | n.a. | 0 | 0 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|---|
| Personal income | —Up 12.9% vs. 12.6% in U.S., to \$41.3 billion —Payrolls up 15.4% in trade vs. 14.1% in U.S. and 15.6% in services vs. 12.7% in U.S. |
| Consumer prices | —Up 9.1% in Washington, D.C. vs. 8.9% in U.S. |
| Employment | —Up 3.6% vs. 3.9% in U.S., to 2.4 million |
| Unemployment | —Up 17,000, to 125,000 —Rate up to 5.0% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts up 16.8%, the same as in U.S., to \$1.1 billion —Valuation of nonresidential contracts up 36.9% vs. 15.8% in U.S. —Number of dwelling-unit starts up 5.2% vs. near stability in U.S., to 11,102 |
| Retail sales | —Up 11.1% vs. 11.2% in U.S., to \$4.9 billion |

TABLE 1.—Summary of Economic Indicators, United States and Virginia Through Fourth Quarter, 1978

| | United States | | | Virginia | | | U.S. | State | U.S. | State |
|---|---------------|------------|-----------|----------|-----------|-----------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| All indicators, except income, not seasonally adjusted | | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 35,660 | 36,569 | 39,664 | 41,288 | 12.4 | 11.2 | 12.6 | 12.9 |
| Total wages and salaries (millions of dollars)..... | 1,013,216 | 1,140,696 | 22,631 | 23,065 | 25,040 | 26,106 | 12.1 | 10.6 | 12.6 | 13.2 |
| Civilian employment (thousands)..... | 92,442 | 96,010 | 2,290 | 2,289 | 2,376 | 2,371 | 4.1 | 3.7 | 3.9 | 3.6 |
| Unemployment (thousands) | 6,149 | 5,605 | 117 | 108 | 128 | 125 | −9.8 | 8.9 | −8.8 | 15.3 |
| Percent unemployed (unemployment/labor force)..... | 6.2 | 5.5 | 4.9 | 4.5 | 5.1 | 5.0 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 10,994 | 11,427 | 12,610 | n.a. | 16.3 | 14.7 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 15,780 | 16,418 | 17,183 | n.a. | 11.5 | 8.9 | --- | --- |
| Total valuation of construction contracts (thousands of dollars)..... | 38,913,111 | 45,459,773 | 1,086,762 | 964,924 | 1,978,812 | 1,126,564 | 14.5 | 82.1 | 16.8 | 16.8 |
| Dwelling units started (number) | 445,772 | 443,075 | 15,479 | 10,553 | 13,519 | 11,102 | 1.0 | −12.7 | −6 | 5.2 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | 4,396 | 4,561 | 4,885 | 10.3 | --- | 11.2 | 11.1 |
| New business incorporations (number)..... | 109,411 | n.a. | 2,307 | 2,259 | 2,450 | n.a. | 8.2 | 6.2 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 30 | 20 | 26 | n.a. | −9.5 | −13.3 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Washington, D.C. | --- | --- | 185.5 | 188.1 | 201.8 | 205.3 | --- | 8.8 | --- | 9.1 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.9 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, Virginia's personal income totaled \$41.3 billion, up \$4.7 billion since 1977:IV.

Nonfarm personal income in the State increased 12.6 percent from year to year, fractionally more than nationally. Since the most recent national business cycle peak in 1973:IV, Virginia's economy has grown somewhat more rapidly than the Nation's; the increase in the State's nonfarm income was 5 percent more than nationally, ranking Virginia 28th among all States.

From 1977:IV to 1978:IV, the **Consumer Price Index** for the Washington, D.C. metropolitan area increased 9.1 percent versus an 8.9-percent national city average increase (table 3). If the index for Washington, D.C. is used as an indicator for price movements in the

State, real total personal income in Virginia increased 3.8 percent from year to year, a fraction more than nationally.

Wage and salary disbursements (payrolls) increased 13.2 percent in Virginia versus 12.6 percent in the Nation. In 1978:IV, they totaled \$26.1 billion in the State, up \$3.0 billion since 1977:IV.

Within Virginia's private service-type industry group, trade payrolls increased 15.4 percent, 1.3 percentage points more than nationally, and services payrolls increased 15.6 percent, 2.9 percentage points more than nationally. In contrast, payrolls in finance-insurance-real estate increased 13.2 percent in both the State and Nation, and payrolls in transportation-communication-public utilities increased 10.3 percent, 1.0 percentage point less than nationally.

State and local government payrolls in Virginia increased 13.7 percent from year to year, or twice the national increase. Virginia's increase ranked fourth nationally, after increases in Mississippi, Alabama, and Utah. Federal Government payrolls increased 7.1 percent, the same as nationally.

Nondurable goods manufacturing payrolls increased 12.5 percent in Virginia, 2.5 percentage points more than nationally. Durable goods manufacturing payrolls, in contrast, increased 13.9 percent in the State, compared with a 15.2-percent national increase.

Virginia's construction payrolls increased 19.7 percent from year to year versus 20.1 percent nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 18.3 percent in Virginia, one of the smallest declines in the Nation. Nationally, unemployment insurance benefits declined 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]

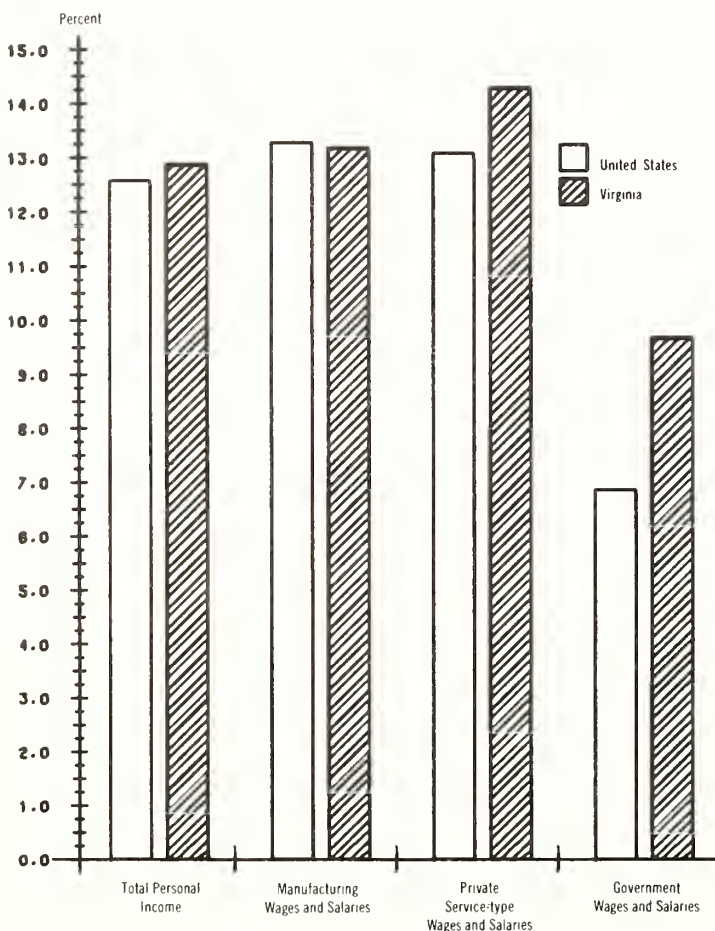


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

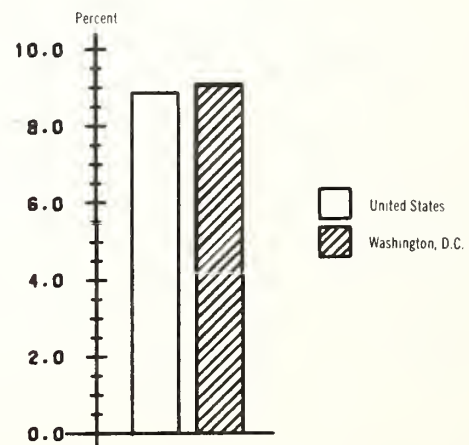


Chart 3.—Total Personal Income
[Seasonally adjusted]

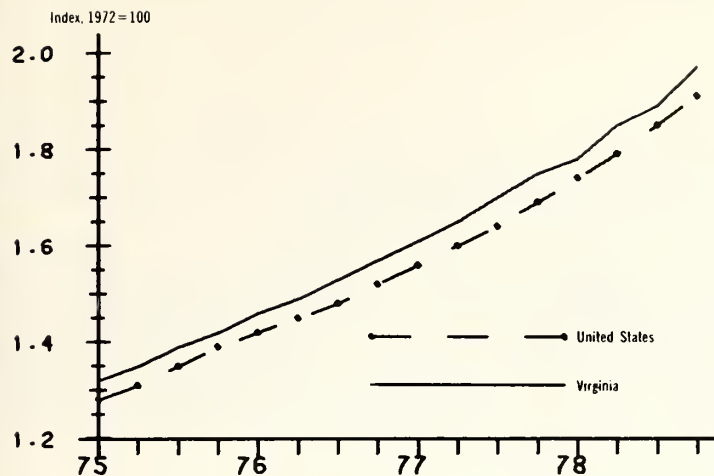


Chart 4.—Industrial Composition of Wages and Salaries: Virginia
[Seasonally adjusted]

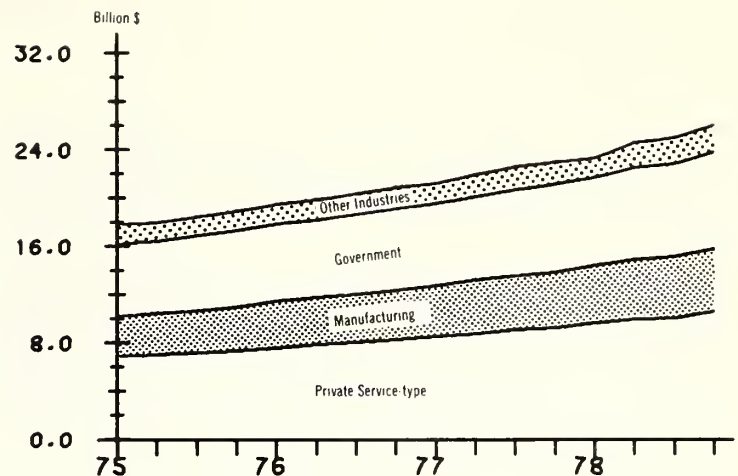


TABLE 2.—Personal Income, United States and Virginia Through Fourth Quarter, 1978

| | United States | | | Virginia | | | U.S. | State | U.S. | State |
|---|---------------|-----------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 35,660 | 36,569 | 39,664 | 41,288 | 12.4 | 11.2 | 12.6 | 12.9 |
| Farm personal income | 31,224 | 39,451 | 205 | 285 | 348 | 446 | 47.9 | 69.8 | 26.3 | 56.3 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 35,455 | 36,284 | 39,315 | 40,842 | 11.9 | 10.9 | 12.3 | 12.6 |
| Total personal income | 1,583,508 | 1,782,519 | 35,660 | 36,569 | 39,664 | 41,288 | 12.4 | 11.2 | 12.6 | 12.9 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 22,631 | 23,065 | 25,040 | 26,106 | 12.1 | 10.6 | 12.6 | 13.2 |
| Other labor income | 96,016 | 111,719 | 1,871 | 1,938 | 2,156 | 2,267 | 17.0 | 15.2 | 16.4 | 17.0 |
| Proprietors' income | 105,953 | 125,995 | 1,748 | 1,835 | 2,093 | 2,267 | 21.5 | 19.8 | 18.9 | 23.5 |
| Farm | 23,636 | 31,044 | 131 | 214 | 275 | 369 | 66.6 | 109.6 | 31.3 | 72.8 |
| Nonfarm | 82,317 | 94,951 | 1,617 | 1,621 | 1,819 | 1,897 | 12.8 | 12.5 | 15.3 | 17.1 |
| Dividends, interest, and rent | 214,992 | 242,442 | 3,925 | 4,011 | 4,385 | 4,510 | 12.3 | 11.7 | 12.8 | 12.4 |
| Transfer payments | 215,944 | 233,750 | 4,713 | 4,839 | 5,246 | 5,335 | 8.8 | 11.3 | 8.2 | 10.3 |
| State unemployment insurance benefits | 11,128 | 7,753 | 98 | 130 | 112 | 106 | -24.0 | 14.2 | -30.3 | -18.3 |
| Less: personal contributions | 62,212 | 71,610 | 1,410 | 1,424 | 1,594 | 1,650 | 14.8 | 13.1 | 15.1 | 15.9 |
| Plus: residence adjustment | -401 | -473 | 2,183 | 2,306 | 2,338 | 2,452 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 22,631 | 23,065 | 25,040 | 26,106 | 12.1 | 10.6 | 12.6 | 13.2 |
| Farm | 7,176 | 7,939 | 72 | 69 | 71 | 74 | 8.5 | -9 | 10.6 | 6.9 |
| Nonfarm | 1,006,040 | 1,132,757 | 22,559 | 22,996 | 24,969 | 26,032 | 12.1 | 10.7 | 12.6 | 13.2 |
| Mining | 14,048 | 18,813 | 372 | 375 | 409 | 486 | 26.5 | 10.0 | 33.9 | 29.6 |
| Construction | 55,648 | 66,858 | 1,425 | 1,384 | 1,625 | 1,657 | 19.1 | 14.0 | 20.1 | 19.7 |
| Manufacturing | 276,112 | 312,970 | 4,511 | 4,608 | 5,048 | 5,216 | 12.1 | 11.9 | 13.3 | 13.2 |
| Durable goods | 176,216 | 203,053 | 2,169 | 2,238 | 2,426 | 2,549 | 13.7 | 11.9 | 15.2 | 13.9 |
| Nondurable goods | 99,896 | 109,917 | 2,342 | 2,370 | 2,621 | 2,667 | 9.4 | 11.9 | 10.0 | 12.5 |
| Private service-type | 455,764 | 515,348 | 9,094 | 9,307 | 10,115 | 10,642 | 12.8 | 11.2 | 13.1 | 14.3 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 1,570 | 1,617 | 1,531 | 1,783 | 10.4 | -2.5 | 11.3 | 10.3 |
| Wholesale and retail trade | 170,888 | 195,035 | 3,428 | 3,482 | 3,873 | 4,017 | 13.6 | 13.0 | 14.1 | 15.4 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 966 | 999 | 1,098 | 1,131 | 14.1 | 13.8 | 13.2 | 13.2 |
| Services | 153,840 | 173,396 | 3,130 | 3,210 | 3,612 | 3,711 | 12.6 | 15.4 | 12.7 | 15.6 |
| Government | 201,252 | 215,083 | 7,109 | 7,273 | 7,716 | 7,976 | 7.4 | 8.5 | 6.9 | 9.7 |
| Federal | 68,176 | 73,003 | 4,273 | 4,410 | 4,498 | 4,721 | 7.3 | 5.3 | 7.1 | 7.1 |
| State and local | 133,076 | 142,080 | 2,836 | 2,863 | 3,218 | 3,254 | 7.5 | 13.5 | 6.8 | 13.7 |
| Other | 3,216 | 3,685 | 48 | 49 | 57 | 56 | 18.7 | 16.8 | 14.6 | 13.9 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Virginia Through Fourth Quarter, 1978¹

| | United States | | | Virginia | | | U.S. | State | U.S. | State |
|------------------|--------------------------------|---------|----------|----------|----------|---------|--|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | Index, 1967 = 100, not seasonally adjusted | | Percent change | |
| | U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 |
| Washington, D.C. | --- | --- | 185.5 | 188.1 | 201.8 | 205.3 | --- | 8.8 | --- | 9.1 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Virginia's **civilian labor force** increased 4.1 percent versus 3.1 percent nationally (table 4). **Total employment** increased 3.6 percent in the State versus 3.9 percent nationally, to almost 2.4 million.

With the labor force increasing by about 98,000 and employment increasing by about 82,000, the number of **unemployed** increased by between 16,000 and 17,000, to 125,000. In 1978:IV, the number of students and housewives seeking work in Virginia was larger than usual, and this mainly accounted for the sharp year-to-year increases in labor force and unemployment. Virginia's **unemployment rate** increased 0.5 percentage point, to 5.0 percent of the labor force. Virginia was 1 of

only 10 States to register an increase in the unemployment rate. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among Virginia's major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 5.4 percent, ranged from 6.6 percent in Newport News-Hampton to 3.4 percent in Richmond. In Norfolk-Virginia Beach-Portsmouth, the preliminary rate was 6.1 percent. From December 1977 to December 1978, Roanoke was the only major metropolitan area in the State to register a decline in the unemployment rate; the rate in Roanoke declined 0.6 percentage point, to 4.9 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Virginia

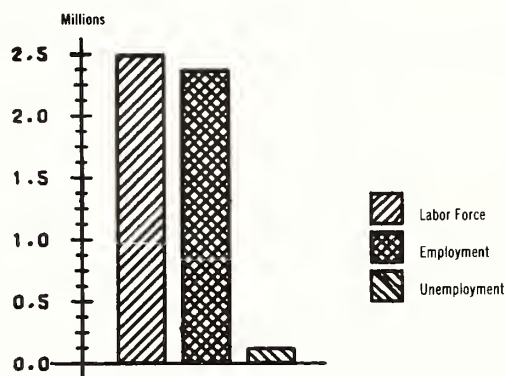


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

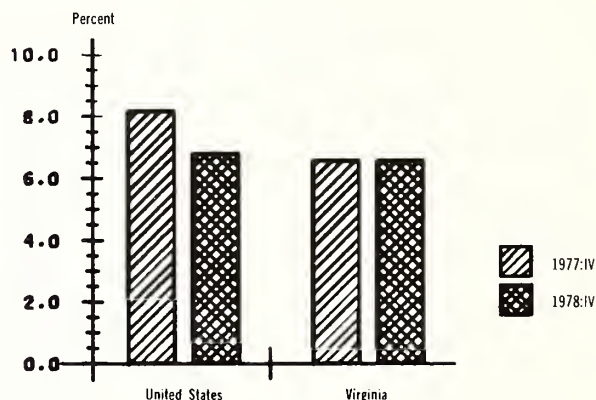


TABLE 4.—Labor Force, United States and Virginia Through Fourth Quarter, 1978

| | United States | | | Virginia | | | U.S. | State | U.S. | State |
|---|--|---------|----------|----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,967 | 1,977 | 2,067 | 2,092 | 4.3 | 5.1 | 4.2 | 5.8 |
| Mining | 787 | 899 | 24 | 20 | 21 | 25 | 8.2 | -9.7 | 14.2 | 22.8 |
| Construction | 4,032 | 4,488 | 130 | 125 | 144 | 138 | 10.4 | 10.6 | 11.3 | 10.8 |
| Manufacturing | 19,986 | 20,722 | 407 | 409 | 411 | 413 | 3.1 | 1.0 | 3.7 | 1.1 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 107 | 107 | 104 | 111 | 3.8 | -2.8 | 4.4 | 4.4 |
| Wholesale and retail trade | 19,152 | 20,015 | 411 | 424 | 435 | 449 | 5.3 | 5.9 | 4.5 | 6.0 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 94 | 93 | 99 | 99 | 4.8 | 5.3 | -2.0 | 6.1 |
| Services | 15,539 | 16,215 | 344 | 338 | 370 | 364 | 4.6 | 7.6 | 4.4 | 7.6 |
| Government | 15,434 | 15,656 | 450 | 463 | 483 | 494 | 2.1 | 7.2 | 1.4 | 6.7 |
| Civilian labor force ³ | 98,591 | 101,615 | 2,408 | 2,397 | 2,504 | 2,495 | 3.2 | 4.0 | 3.1 | 4.1 |
| Total employed | 92,442 | 96,010 | 2,290 | 2,289 | 2,376 | 2,371 | 4.1 | 3.7 | 3.9 | 3.6 |
| Total unemployed | 6,149 | 5,605 | 117 | 108 | 128 | 125 | -9.8 | 8.9 | -8.8 | 15.3 |
| Percent unemployed | 6.2 | 5.5 | 4.9 | 4.5 | 5.1 | 5.0 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

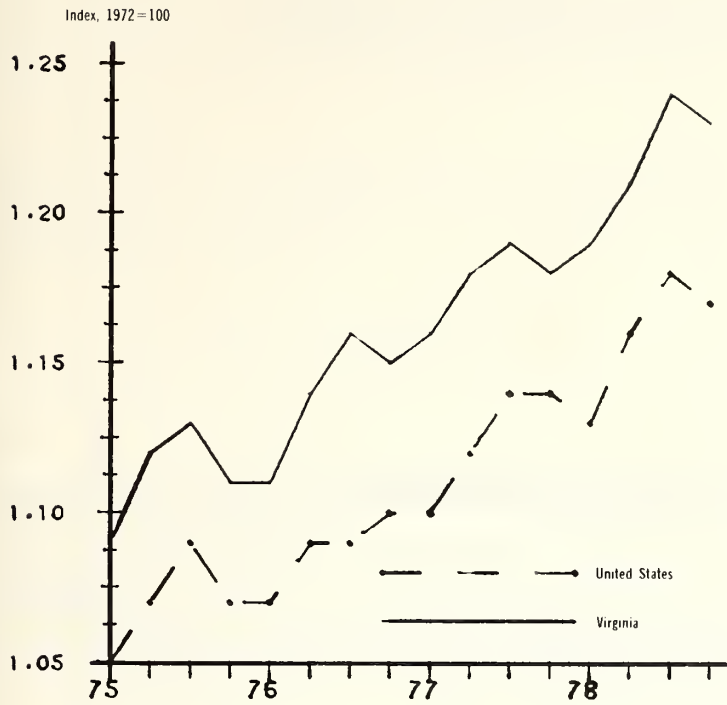


Chart 8.—Civilian Employment

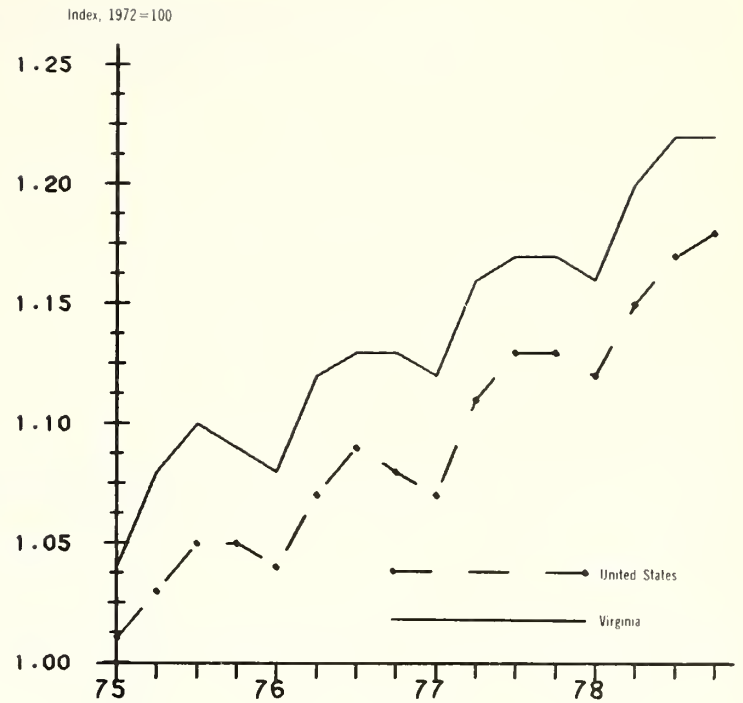


Chart 9.—Unemployment Rate

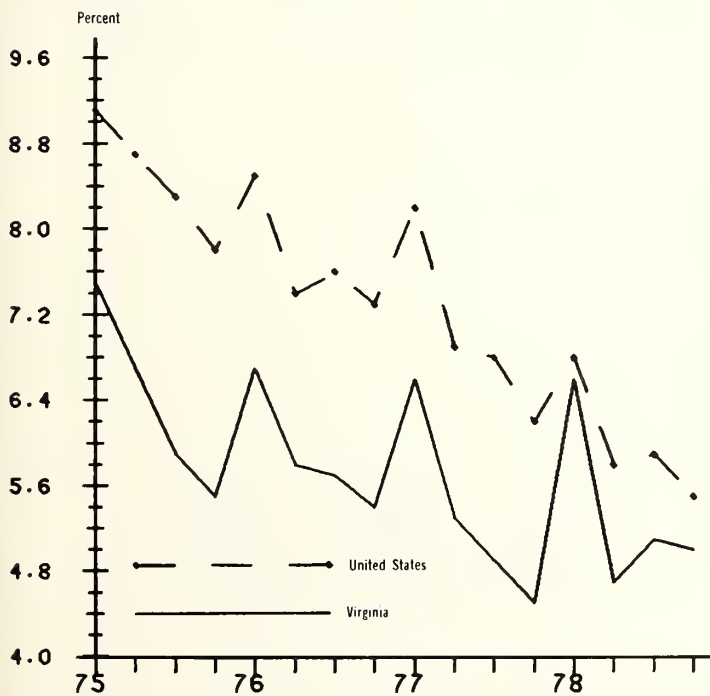
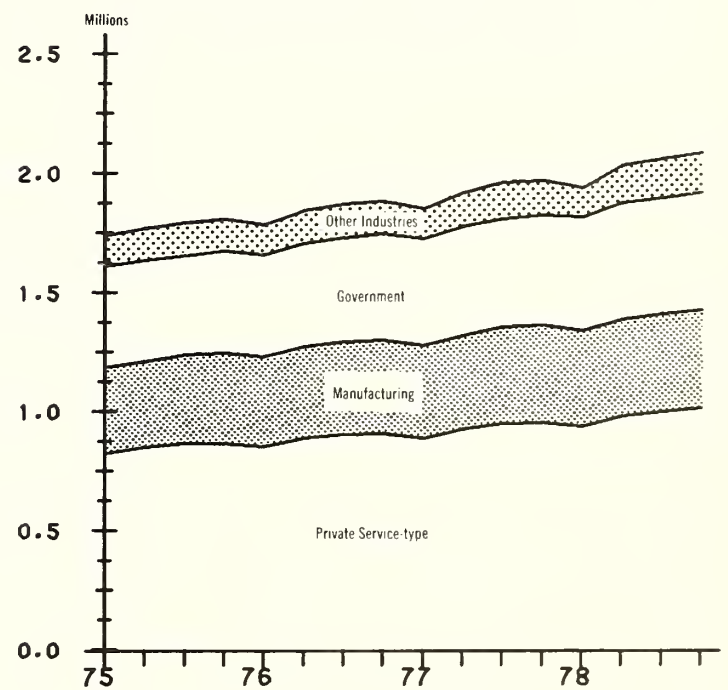


Chart 10.—Industrial Composition of Nonagricultural Employment: Virginia



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Virginia Through Fourth Quarter, 1978

| | United States | | | Virginia | | | U.S. | State | U.S. | State |
|------------------------------------|---|-------------|---------------|---------------|---------------|-------------|-----------------------------|-------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 10,994 | 11,427 | 12,610 | n.a. | 16.3 | 14.7 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 2,455 | 2,645 | 2,913 | n.a. | 14.2 | 18.7 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 3,665 | 3,804 | 4,289 | n.a. | 20.2 | 17.0 | --- | --- |
| Real estate | 177,935 | n.a. | 4,212 | 4,339 | 4,743 | n.a. | 19.9 | 12.6 | --- | --- |
| Residential | 101,236 | n.a. | 2,625 | 2,723 | 3,003 | n.a. | 21.3 | 14.4 | --- | --- |
| Farms | 7,731 | n.a. | 136 | 137 | 139 | n.a. | 10.7 | 2.2 | --- | --- |
| Other | 68,968 | n.a. | 1,452 | 1,479 | 1,602 | n.a. | 19.0 | 10.3 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 186 | 169 | 193 | n.a. | 6.8 | 3.6 | --- | --- |
| Other | 69,947 | n.a. | 476 | 469 | 471 | n.a. | 8.0 | -1.1 | --- | --- |
| Total deposits | 925,511 | n.a. | 15,780 | 16,418 | 17,183 | n.a. | 11.5 | 8.9 | --- | --- |
| Demand | 377,683 | n.a. | 5,560 | 5,849 | 5,968 | n.a. | 10.2 | 7.3 | --- | --- |
| Time and savings | 547,828 | n.a. | 10,220 | 10,568 | 11,215 | n.a. | 12.3 | 9.7 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts in Virginia increased at the national average rate, 16.8 percent (table 6). In 1978:IV, the valuation of all construction contracts in the State totaled \$1.1 billion, up \$161.6 million since 1977:IV. In 1978:IV, a \$50 million contract for the construction of a chemical plant in Chesterfield County and a \$56 million contract for the construction of a shopping center in Fairfax County substantially increased the State's total valuation of contracts. If both contracts are excluded, the total valuation of contracts would have increased only 4.9 percent from 1977:IV to 1978:IV.

National construction costs increased about 13 percent during the same timespan, and if this increase represents the gain throughout the State, the real increase in the total valuation of contracts was about 4 percent in both Virginia and the Nation.

Reflecting the contracts in Chesterfield and Fairfax Counties, nonresidential contracts increased 36.9 percent in valuation versus 15.8 percent nationally. If both contracts are excluded, the valuation of the State's nonresidential contracts would have declined 4.7 percent.

Residential housekeeping contracts increased 15.8 percent in valuation, fractionally more than nationally. The number of dwelling units started increased 5.2 percent (549 units), to 11,102 units. Nationally, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased 26.0 percent in valuation versus 14.6 percent nationally.

Nonbuilding contracts declined 19.5 percent in valuation, compared with a national increase of 22.2 percent. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 38.8 percent in the State and 16.3 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

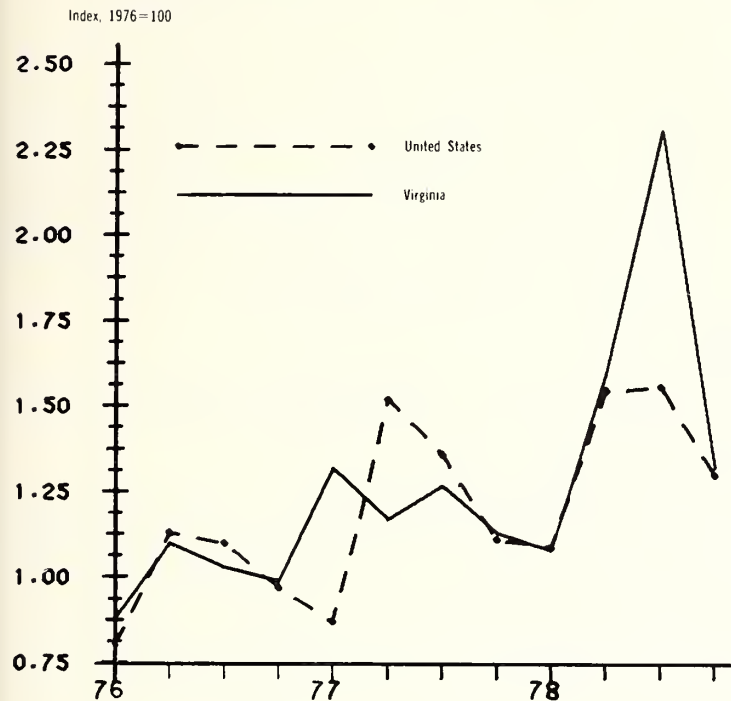


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Virginia

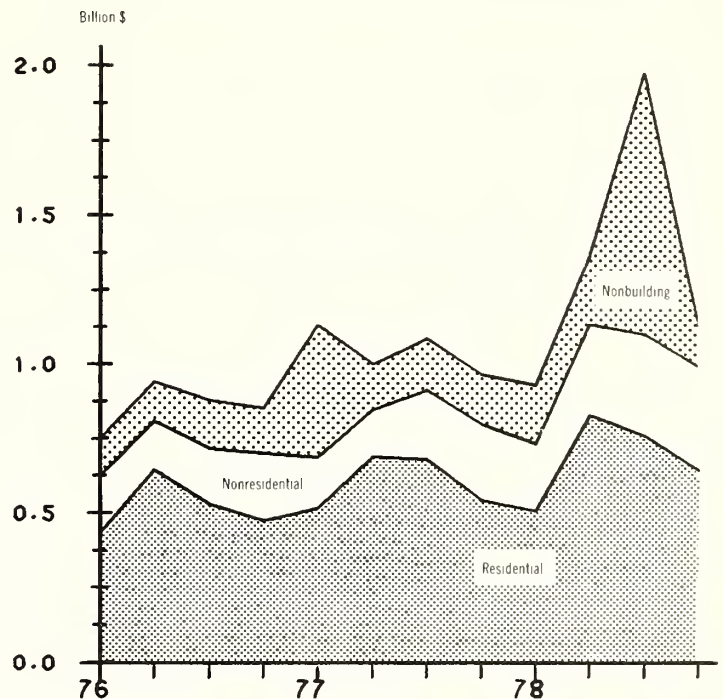


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

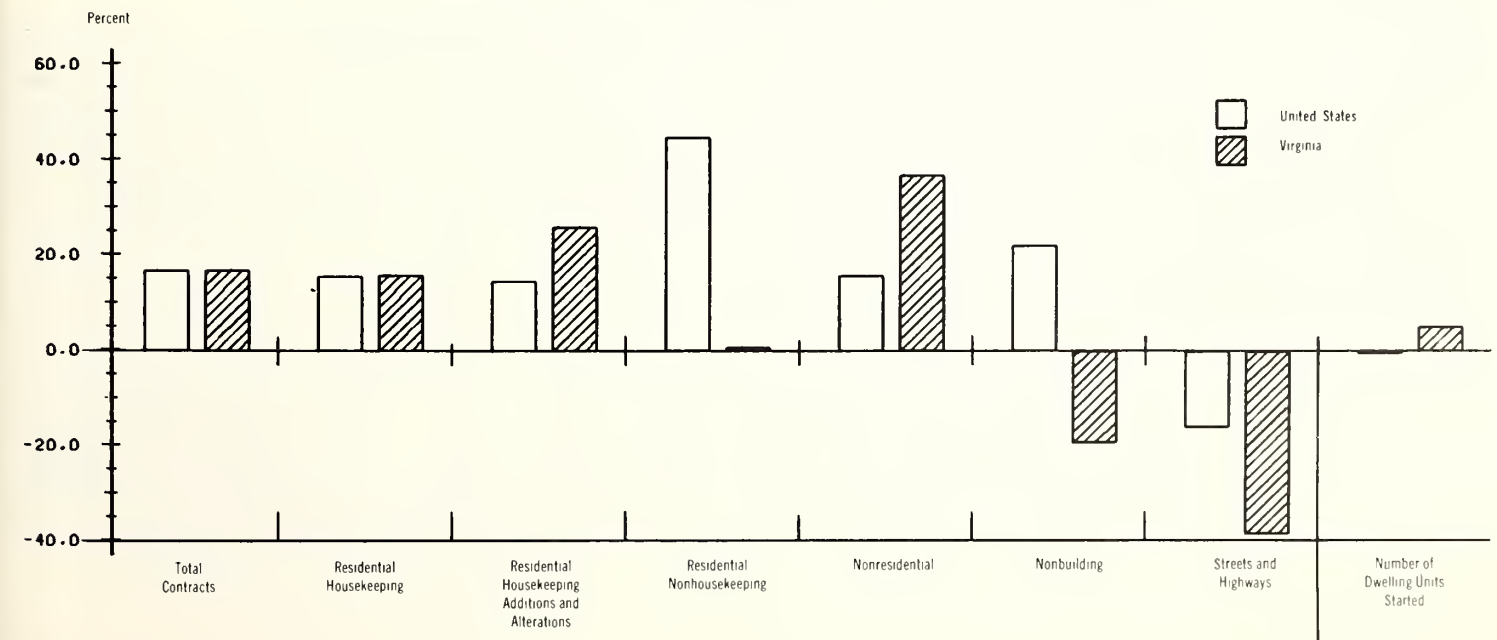


TABLE 6.—Construction Contracts, United States and Virginia Through Fourth Quarter, 1978¹

| | United States | | | Virginia | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|------------------|----------------|------------------|------------------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 1,086,762 | 964,924 | 1,978,812 | 1,126,564 | 14.5 | 82.1 | 16.8 | 16.8 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars)..... | 7,707,987 | 8,832,353 | 174,543 | 157,683 | 211,418 | 198,628 | 16.8 | 21.1 | 14.6 | 26.0 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,470 | 1,496 | 1,699 | 1,459 | 4.4 | 15.6 | -9.3 | -2.5 |
| Valuation (thousands of dollars)..... | 31,205,124 | 36,627,420 | 912,219 | 807,241 | 1,767,394 | 927,936 | 14.0 | 93.7 | 17.4 | 15.0 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 30,321 | 24,429 | 34,085 | 27,700 | 10.8 | 12.4 | 10.2 | 13.4 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 412 | 383 | 399 | 391 | -5.1 | -3.2 | -4.3 | 2.1 |
| Number of dwelling units | 445,772 | 443,075 | 15,479 | 10,553 | 13,519 | 11,102 | 1.0 | -12.7 | -6 | 5.2 |
| Valuation (thousands of dollars)..... | 14,879,596 | 17,198,518 | 504,133 | 374,792 | 531,863 | 434,178 | 15.3 | 5.5 | 15.6 | 15.8 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 22,927 | 16,742 | 22,895 | 18,823 | 10.3 | -1 | 10.7 | 12.4 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 10 | 15 | 15 | 13 | -10.0 | 50.0 | -4 | -13.3 |
| Valuation (thousands of dollars)..... | 338,637 | 490,279 | 1,690 | 9,276 | 16,137 | 9,339 | 9.4 | 854.9 | 44.8 | .7 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 11 | 462 | 529 | 136 | -7 | *** | 24.7 | -70.6 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 714 | 761 | 784 | 709 | -2.5 | 9.8 | -12.0 | -6.8 |
| Valuation (thousands of dollars)..... | 9,334,415 | 10,810,769 | 232,506 | 255,061 | 341,083 | 349,071 | 27.6 | 46.7 | 15.8 | 36.9 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 7,383 | 7,225 | 10,661 | 8,742 | 12.2 | 44.4 | 8.9 | 21.0 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 334 | 337 | 501 | 346 | 22.4 | 50.0 | -9.1 | 2.7 |
| Valuation (thousands of dollars)..... | 6,652,476 | 8,127,854 | 173,890 | 168,112 | 878,311 | 135,348 | -1 | 405.1 | 22.2 | -19.5 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 141 | 139 | 132 | 86 | 9.3 | -6.4 | -17.8 | -38.1 |
| Valuation (thousands of dollars)..... | 2,308,681 | 1,931,341 | 95,301 | 71,241 | 103,347 | 43,606 | 3.0 | 8.4 | -16.3 | -38.8 |

***Percent change greater than 999.9.

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Virginia totaled \$4.9 billion in 1978:IV, up 11.1 percent gain (table 7). In 1978:IV, nondurable goods accounted for \$3.3 billion, (\$489 million) since 1977:IV, a fraction less than the national rate of and durable goods accounted for \$1.6 billion.

TABLE 7.—Retail Sales, United States and Virginia Through Fourth Quarter, 1978

| | United States | | | Virginia | | | U.S. | State | U.S. | State |
|---------------------|--|----------------|-------------|--------------|--------------|--------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | 4,396 | 4,561 | 4,885 | 10.3 | --- | 11.2 | 11.1 |
| Durable goods .. | 62,065 | 71,573 | n.a. | n.a. | 1,829 | 1,632 | 11.8 | --- | 15.3 | --- |
| Nondurable goods .. | 134,965 | 147,447 | n.a. | n.a. | 2,732 | 3,253 | 9.6 | --- | 9.2 | --- |

n.a. Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Virginia Through Fourth Quarter, 1978

| | United States | | | Virginia | | | U.S. | State | U.S. | State |
|---|-------------------------|-------------|--------------|--------------|--------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 2,307 | 2,259 | 2,450 | n.a. | 8.2 | 6.2 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 30 | 20 | 26 | n.a. | -9.5 | -13.3 | --- | --- |
| Current liabilities (thousands of dollars)..... | 484,296 | n.a. | 7,230 | 3,322 | 17,099 | n.a. | -44.2 | 136.5 | --- | --- |
| Average liability per failure (thousands of dollars)..... | 288 | n.a. | 241 | 166 | 658 | n.a. | -38.4 | 173.0 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing .. | 248 | n.a. | 2 | 1 | 2 | n.a. | -10.1 | .0 | --- | --- |
| Construction .. | 319 | n.a. | 8 | 11 | 10 | n.a. | 1.0 | 25.0 | --- | --- |
| Wholesale trade .. | 191 | n.a. | 0 | 0 | 1 | n.a. | -27.1 | --- | --- | --- |
| Retail trade .. | 688 | n.a. | 15 | 6 | 13 | n.a. | -4.2 | -13.3 | --- | --- |
| Commercial services .. | 238 | n.a. | 6 | 2 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a. Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 16.2% vs. 12.6% in U.S., to \$33.7 billion
- Durables manufacturing payrolls up 27.3% vs. 15.2% in U.S.
- Nondurables manufacturing payrolls down 3.5% due to paper workers' strike

Consumer prices

- Up 10.2% in Seattle vs. 8.9% in U.S.
- Portland index up to 207.8 in 1978:IV (1967=100)

Employment

- Up 7.1% vs. 3.9% in U.S., to 1.6 million

Unemployment

- Down 21,000, to 103,000
- Rate down 1.6 percentage points, to 5.9% of labor force vs. 5.5% in U.S.

Construction

- Total valuation of contracts up 26.8% vs. 16.8% in U.S., to \$1.0 billion
- Number of dwelling-unit starts up 2.6% vs. near stability in U.S., to 11,688

TABLE 1.—Summary of Economic Indicators, United States and Washington Through Fourth Quarter, 1978

| | United States | | | Washington | | | U.S. | State | U.S. | State |
|--|--|------------|----------|------------|-----------|-----------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 27,831 | 28,992 | 32,352 | 33,687 | 12.4 | 16.2 | 12.6 | 16.2 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 17,710 | 18,522 | 20,673 | 21,508 | 12.1 | 16.7 | 12.6 | 16.1 |
| Civilian employment (thousands) | 92,442 | 96,010 | 1,533 | 1,532 | 1,664 | 1,641 | 4.1 | 8.6 | 3.9 | 7.1 |
| Unemployment (thousands) | 6,149 | 5,605 | 143 | 124 | 104 | 103 | -9.8 | -27.3 | -8.8 | -17.5 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 8.5 | 7.5 | 5.9 | 5.9 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 8,563 | 9,018 | 10,618 | n.a. | 16.3 | 24.0 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 11,522 | 12,203 | 13,557 | n.a. | 11.5 | 17.7 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 964,751 | 825,560 | 1,553,207 | 1,046,520 | 14.5 | 61.0 | 16.8 | 26.8 |
| Dwelling units started (number) | 445,772 | 443,075 | 15,220 | 11,396 | 12,927 | 11,688 | 1.0 | -15.1 | -6 | 2.6 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 2,207 | 1,887 | 2,277 | n.a. | 8.2 | 3.2 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 59 | 65 | 26 | n.a. | -9.5 | -55.9 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Portland | --- | --- | --- | --- | 202.2 | 207.8 | --- | --- | --- | --- |
| Seattle | --- | --- | 180.2 | 182.5 | 196.9 | 201.1 | --- | 9.3 | --- | 10.2 |

n.a. Data not available.

Source: See tables 2 through 8.

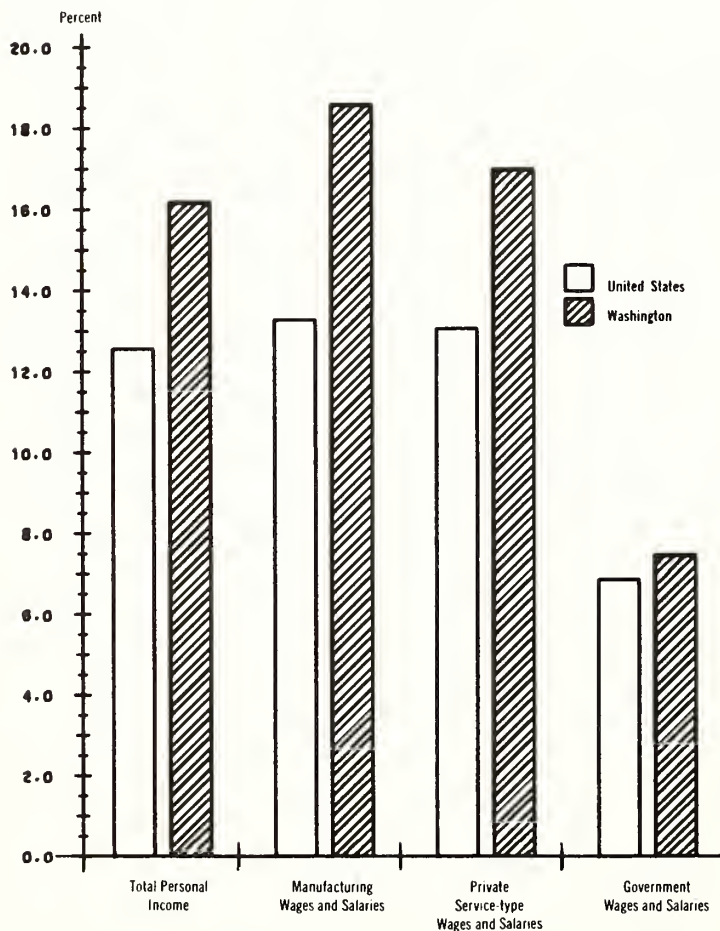
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Washington increased 16.2 percent from 1977:IV to 1978:IV, leading the Nation's gain by 3.6 percentage points and ranking seventh among all State gains (table 2). In 1978:IV, Washington's personal income totaled \$33.7 billion, up \$4.7 billion since 1977:IV. During the same timespan, the **Consumer Price Index** for the Seattle metropolitan area increased 10.2 percent versus 8.9 percent nationally (table 3). If this increase is used as an indicator for price increases throughout the State, real total personal income in Washington increased 6.0 percent from year to year, compared with 3.7 percent nationally.

Since the last national business cycle peak in 1973:IV, Washington's economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 30 percent more than nationally, ranking Washington eighth among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Wage and salary disbursements (payrolls) in Washington increased 16.1 percent from 1977:IV to 1978:IV, a gain exceeded in only five States, to \$21.5 billion. Payrolls in all but one major industry increased faster in the State than in the Nation. Construction payrolls increased 30.0 percent, the largest payroll gain in the State and well above the Nation's 20.1-percent gain. Durable manufacturing payrolls increased 27.3 percent, leading the national average increase by almost 12 percentage points.

Washington's private service-type industries registered payroll increases that were among the largest in the Nation. As a group, these payrolls increased 17.0 percent, the fifth largest increase among all States. Finance-insurance-real estate payrolls increased 18.0 percent, to \$1.1 billion; transportation-communication-public utilities payrolls increased 17.7 percent, to \$1.6 billion; services payrolls increased 17.1 percent, to \$3.0 billion; and trade payrolls increased 16.5 percent, to \$3.9 billion.

Federal Government payrolls increased 7.6 percent, and State and local government payrolls increased 7.5 percent; both gains led those of national counterparts by about 0.6 percentage point.

Reflecting the adverse effects of a lumber and paper mill strike that lasted all of 1978:IV, nondurable manufacturing payrolls declined 3.5 percent from the 1977:IV level. The decline was the largest in the Nation; Oregon, also affected by the strike, registered the second largest decline.

State unemployment insurance benefits declined 37.1 percent, compared with a 30.3-percent decline in the Nation, to \$137 million.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

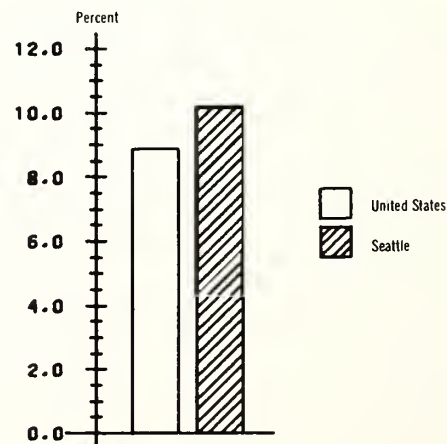


Chart 3.—Total Personal Income
[Seasonally adjusted]

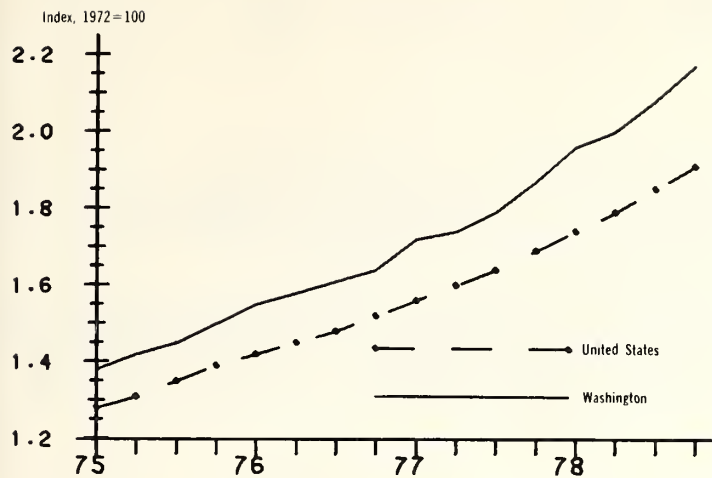


Chart 4.—Industrial Composition of Wages and Salaries: Washington
[Seasonally adjusted]

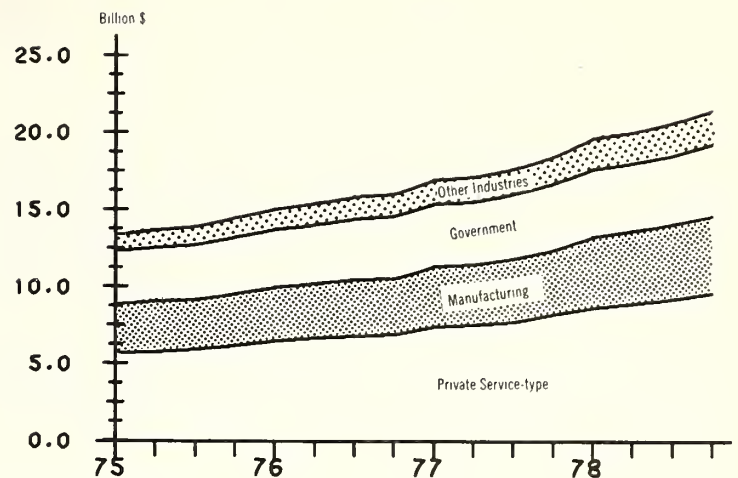


TABLE 2.—Personal Income, United States and Washington Through Fourth Quarter, 1978

| | United States | | | Washington | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 27,831 | 28,992 | 32,352 | 33,687 | 12.4 | 16.2 | 12.6 | 16.2 |
| Farm personal income | 31,224 | 39,451 | 574 | 708 | 1,099 | 1,310 | 47.9 | 91.6 | 26.3 | 85.1 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 27,257 | 28,285 | 31,252 | 32,377 | 11.9 | 14.7 | 12.3 | 14.5 |
| Total personal income | 1,583,508 | 1,782,519 | 27,831 | 28,992 | 32,352 | 33,687 | 12.4 | 16.2 | 12.6 | 16.2 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 17,710 | 18,522 | 20,673 | 21,508 | 12.1 | 16.7 | 12.6 | 16.1 |
| Other labor income | 96,016 | 111,719 | 1,290 | 1,374 | 1,595 | 1,658 | 17.0 | 23.7 | 16.4 | 20.6 |
| Proprietors' income | 105,953 | 125,995 | 2,110 | 2,276 | 2,871 | 3,163 | 21.5 | 36.1 | 18.9 | 39.0 |
| Farm | 23,636 | 31,044 | 316 | 446 | 818 | 1,014 | 66.6 | 158.7 | 31.3 | 127.3 |
| Nonfarm | 82,317 | 94,951 | 1,793 | 1,829 | 2,053 | 2,148 | 12.8 | 14.5 | 15.3 | 17.4 |
| Dividends, interest, and rent | 214,992 | 242,442 | 3,723 | 3,810 | 4,169 | 4,287 | 12.3 | 12.0 | 12.8 | 12.5 |
| Transfer payments | 215,944 | 233,750 | 3,922 | 3,975 | 4,229 | 4,287 | 8.8 | 7.8 | 8.2 | 7.8 |
| State unemployment insurance benefits | 11,128 | 7,753 | 235 | 219 | 151 | 137 | -24.0 | -35.9 | -30.3 | -37.1 |
| Less: personal contributions | 62,212 | 71,610 | 1,275 | 1,327 | 1,548 | 1,590 | 14.8 | 21.4 | 15.1 | 19.8 |
| Plus: residence adjustment | -401 | -473 | 353 | 361 | 362 | 374 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 17,710 | 18,522 | 20,673 | 21,508 | 12.1 | 16.7 | 12.6 | 16.1 |
| Farm | 7,176 | 7,939 | 252 | 255 | 274 | 289 | 8.5 | 8.8 | 10.6 | 13.1 |
| Nonfarm | 1,006,040 | 1,132,757 | 17,458 | 18,267 | 20,399 | 21,219 | 12.1 | 16.8 | 12.6 | 16.2 |
| Mining | 14,048 | 18,813 | 38 | 40 | 55 | 61 | 26.5 | 43.2 | 33.9 | 50.1 |
| Construction | 55,648 | 66,858 | 1,271 | 1,333 | 1,651 | 1,733 | 19.1 | 29.9 | 20.1 | 30.0 |
| Manufacturing | 276,112 | 312,970 | 4,121 | 4,227 | 4,864 | 5,012 | 12.1 | 18.0 | 13.3 | 18.6 |
| Durable goods | 176,216 | 203,053 | 2,967 | 3,028 | 3,653 | 3,855 | 13.7 | 23.1 | 15.2 | 27.3 |
| Nondurable goods | 99,896 | 109,917 | 1,154 | 1,199 | 1,211 | 1,156 | 9.4 | 4.9 | 10.0 | -3.5 |
| Private service-type | 455,764 | 515,348 | 7,775 | 8,222 | 9,253 | 9,623 | 12.8 | 19.0 | 13.1 | 17.0 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 1,295 | 1,361 | 1,507 | 1,601 | 10.4 | 16.3 | 11.3 | 17.7 |
| Wholesale and retail trade | 170,888 | 195,035 | 3,189 | 3,354 | 3,763 | 3,908 | 13.6 | 18.0 | 14.1 | 16.5 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 851 | 928 | 1,058 | 1,095 | 14.1 | 24.3 | 13.2 | 18.0 |
| Services | 153,840 | 173,396 | 2,439 | 2,579 | 2,925 | 3,019 | 12.6 | 19.9 | 12.7 | 17.1 |
| Government | 201,252 | 215,083 | 4,137 | 4,323 | 4,433 | 4,649 | 7.4 | 7.2 | 6.9 | 7.5 |
| Federal | 68,176 | 73,003 | 1,576 | 1,663 | 1,692 | 1,790 | 7.3 | 7.3 | 7.1 | 7.6 |
| State and local | 133,076 | 142,080 | 2,561 | 2,660 | 2,742 | 2,860 | 7.5 | 7.1 | 6.8 | 7.5 |
| Other | 3,216 | 3,685 | 116 | 122 | 142 | 142 | 18.7 | 23.0 | 14.6 | 16.7 |

- Detail may not add to totals because of rounding.
- Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Washington Through Fourth Quarter, 1978¹

| | United States | | | Washington | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Portland..... | --- | --- | --- | --- | 202.2 | 207.8 | --- | --- | --- | --- |
| Seattle..... | --- | --- | 180.2 | 182.5 | 196.9 | 201.1 | --- | 9.3 | --- | 10.2 |

- Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 - Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Washington's **civilian labor force** increased 5.2 percent, one of the largest State advances in the Nation (table 4). **Total employment** increased from 1.5 million to 1.6 million, a 7.1-percent advance. Washington's advance was exceeded only by West Virginia's and was more than 3 percentage points above the national average advance.

With employment increasing by 109,000 and the labor force increasing by only 88,000, the number of **unemployed** declined by 21,000. The

unemployment rate declined 1.6 percentage points, to 5.9 percent of the labor force. While in 1977:IV, Washington's unemployment rate was 1.3 percentage points above the Nation's rate, in 1978:IV, it was only 0.4 percentage point above the Nation's rate.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, unemployment rates in the State's major metropolitan areas ranged from 5.1 percent in Seattle-Everett to 6.9 percent in Tacoma; the preliminary State rate was 6.7 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV:
Washington

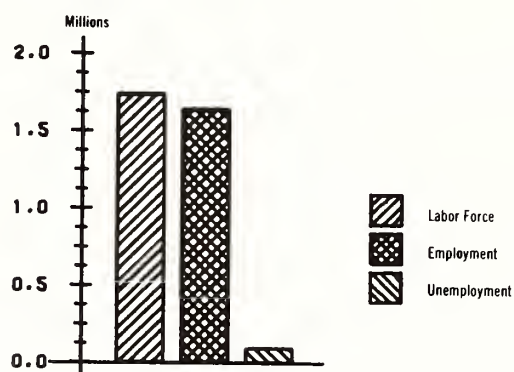


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

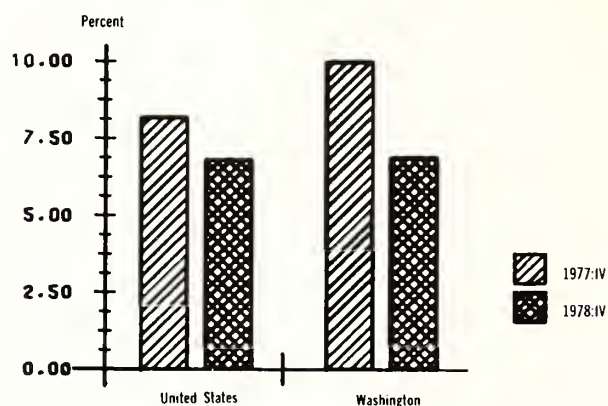


TABLE 4.—Labor Force, United States and Washington Through Fourth Quarter, 1978

| | United States | | | Washington | | | U.S. | State | U.S. | State |
|---|--|---------|----------|------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,364 | 1,379 | 1,467 | 1,496 | 4.3 | 7.6 | 4.2 | 8.5 |
| Mining | 787 | 899 | 2 | 2 | 2 | 3 | 8.2 | 9.1 | 14.2 | 13.6 |
| Construction | 4,032 | 4,488 | 80 | 79 | 93 | 92 | 10.4 | 15.8 | 11.3 | 16.0 |
| Manufacturing | 19,986 | 20,722 | 274 | 264 | 295 | 297 | 3.1 | 7.9 | 3.7 | 12.5 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 80 | 78 | 84 | 86 | 3.8 | 5.8 | 4.4 | 10.3 |
| Wholesale and retail trade | 19,152 | 20,015 | 335 | 343 | 365 | 371 | 5.3 | 8.7 | 4.5 | 8.0 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 77 | 77 | 84 | 84 | 4.8 | 9.0 | -2.0 | 8.5 |
| Services | 15,539 | 16,215 | 253 | 251 | 275 | 273 | 4.6 | 8.5 | 4.4 | 8.9 |
| Government | 15,434 | 15,656 | 263 | 284 | 270 | 291 | 2.1 | 2.6 | 1.4 | 2.5 |
| Civilian labor force ³ | 98,591 | 101,615 | 1,676 | 1,657 | 1,768 | 1,744 | 3.2 | 5.5 | 3.1 | 5.2 |
| Total employed | 92,442 | 96,010 | 1,533 | 1,532 | 1,664 | 1,641 | 4.1 | 8.6 | 3.9 | 7.1 |
| Total unemployed | 6,149 | 5,605 | 143 | 124 | 104 | 103 | -9.8 | -27.3 | -8.8 | -17.5 |
| Percent unemployed | 6.2 | 5.5 | 8.5 | 7.5 | 5.9 | 5.9 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

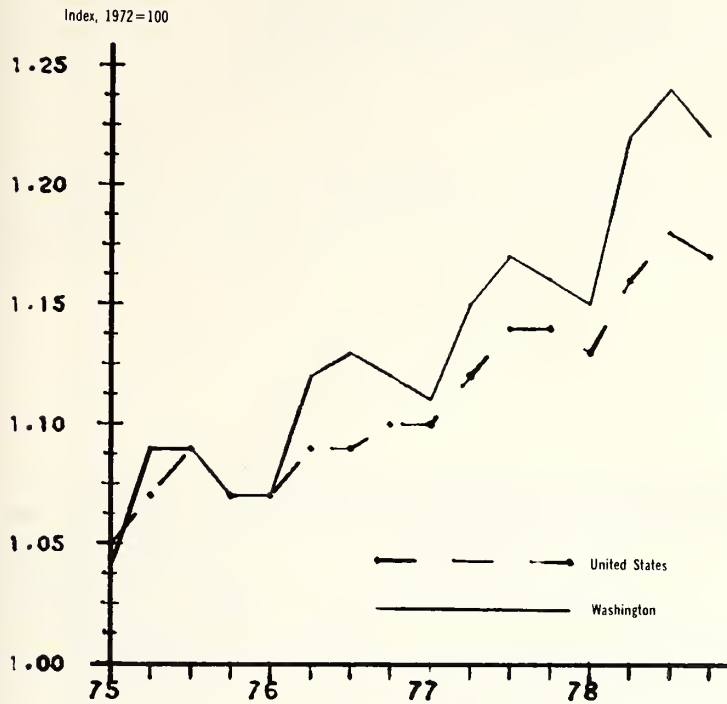


Chart 8.—Civilian Employment

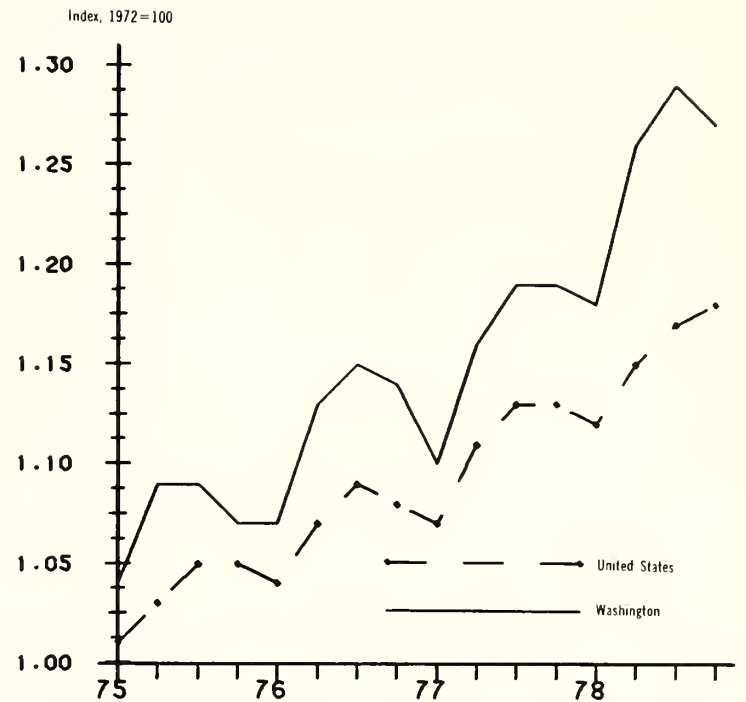


Chart 9.—Unemployment Rate

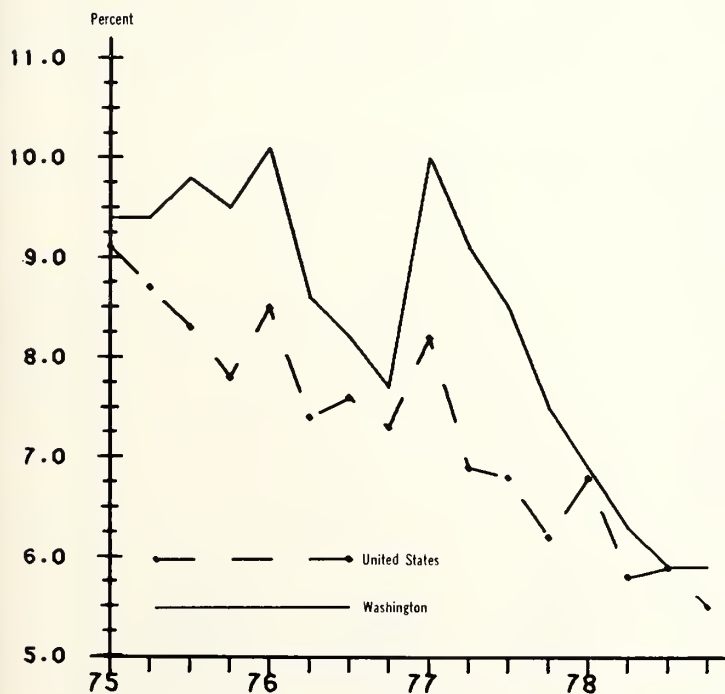
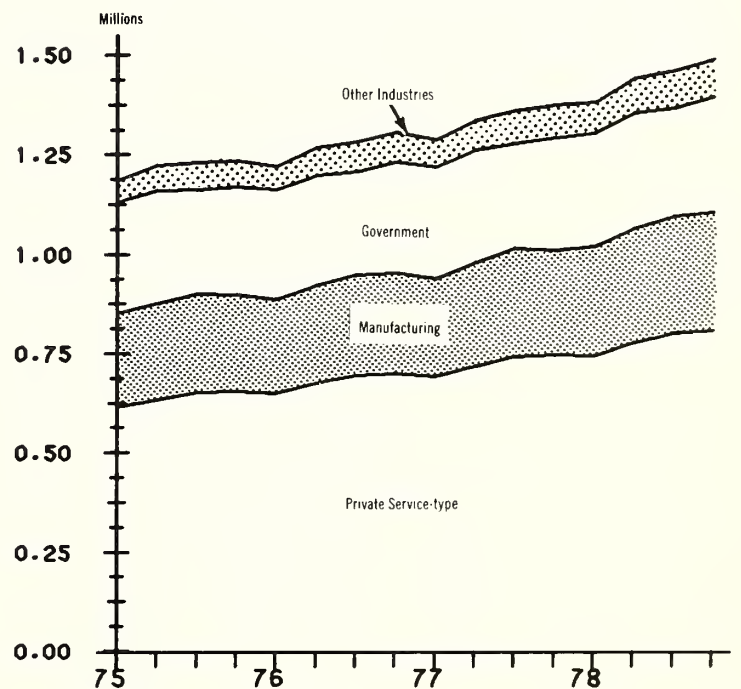


Chart 10.—Industrial Composition of Nonagricultural Employment: Washington



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Washington Through Fourth Quarter, 1978

| | United States | | | Washington | | | U.S. | State | U.S. | State |
|------------------------------------|---|-------------|---------------|---------------|---------------|-------------|-----------------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 8,563 | 9,018 | 10,618 | n.a. | 16.3 | 24.0 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 3,149 | 3,380 | 3,681 | n.a. | 14.2 | 16.9 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 2,075 | 2,203 | 2,767 | n.a. | 20.2 | 33.4 | --- | --- |
| Real estate | 177,935 | n.a. | 2,254 | 2,386 | 2,897 | n.a. | 19.9 | 28.6 | --- | --- |
| Residential | 101,236 | n.a. | 1,320 | 1,409 | 1,640 | n.a. | 21.3 | 24.2 | --- | --- |
| Farms | 7,731 | n.a. | 37 | 39 | 44 | n.a. | 10.7 | 17.6 | --- | --- |
| Other | 68,968 | n.a. | 896 | 938 | 1,213 | n.a. | 19.0 | 35.4 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 504 | 477 | 559 | n.a. | 6.8 | 11.0 | --- | --- |
| Other | 69,947 | n.a. | 581 | 573 | 713 | n.a. | 8.0 | 22.7 | --- | --- |
| Total deposits | 925,511 | n.a. | 11,522 | 12,203 | 13,557 | n.a. | 11.5 | 17.7 | --- | --- |
| Demand | 377,683 | n.a. | 4,580 | 4,926 | 5,145 | n.a. | 10.2 | 12.3 | --- | --- |
| Time and savings | 547,828 | n.a. | 6,942 | 7,277 | 8,412 | n.a. | 12.3 | 21.2 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of contracts in Washington rose 26.8 percent, exceeding the Nation's gain by 10.0 percentage points, to \$1.0 billion (table 6). National construction costs rose about 13 percent during the same timespan; if this rise reflects the advance throughout Washington, the real total valuation of contracts in the State rose about 14 percent versus a national rise of about 4 percent.

The valuation of nonresidential contracts rose 47.0 percent versus 15.8 percent nationally, to \$283 million in 1978:IV. Washington's gain was exceeded by gains in only five States.

The valuation of residential housekeeping contracts rose 26.0 percent, over 10 percentage points more than nationally, to \$463 million. The dollar gain in the valuation of residential housekeeping contracts accounted for about 40 percent of the State's year-to-year gain in the total

valuation of contracts. The number of dwelling units started rose 2.6 percent, or 300 units, to 11,700. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level. The valuation of contracts for additions and alterations to residential housekeeping units rose 26.3 percent versus 14.6 percent in the Nation, to \$178 million.

Street and highway contracts rose 34.1 percent in valuation from year to year, in sharp contrast with a 16.3-percent decline nationally. The valuation of all nonbuilding contracts (including streets and highways) declined 18.8 percent. Nationally, all nonbuilding contracts rose 22.2 percent in valuation.

Chart 14.—Construction Contracts—Total Valuation

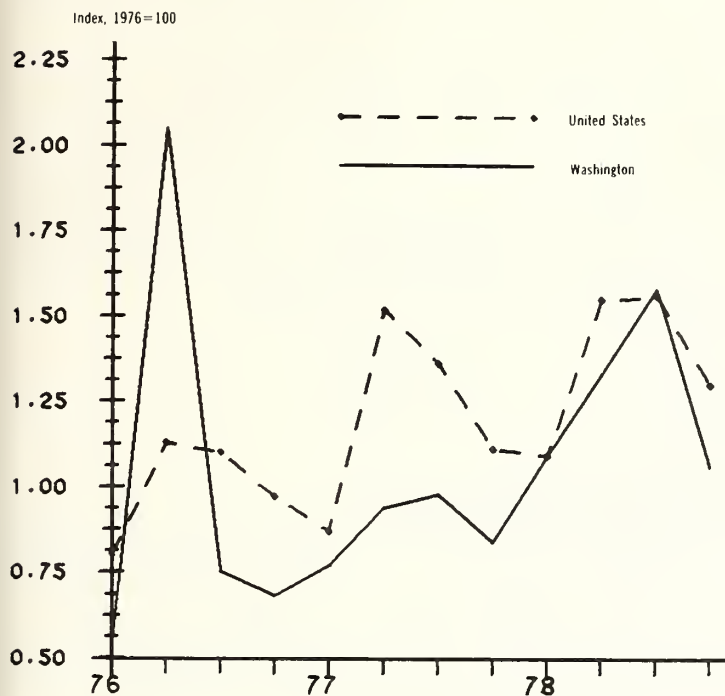


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Washington

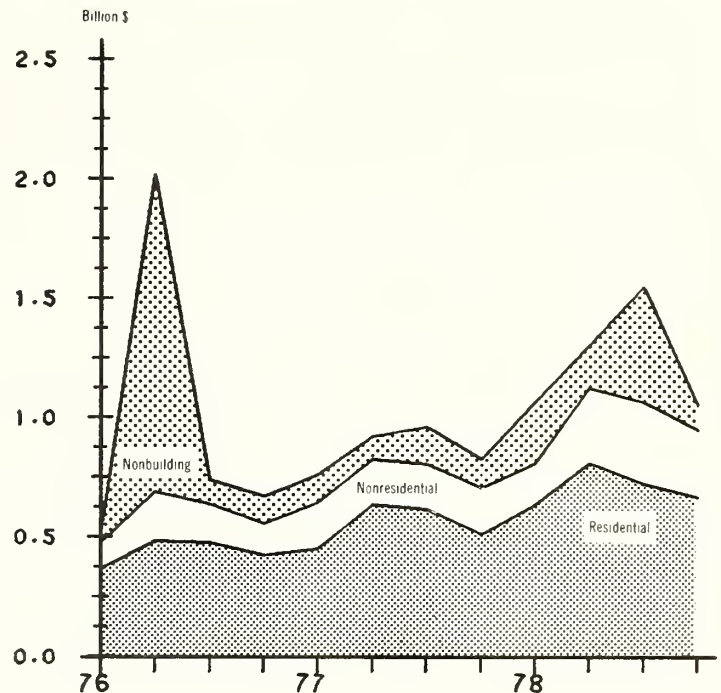


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

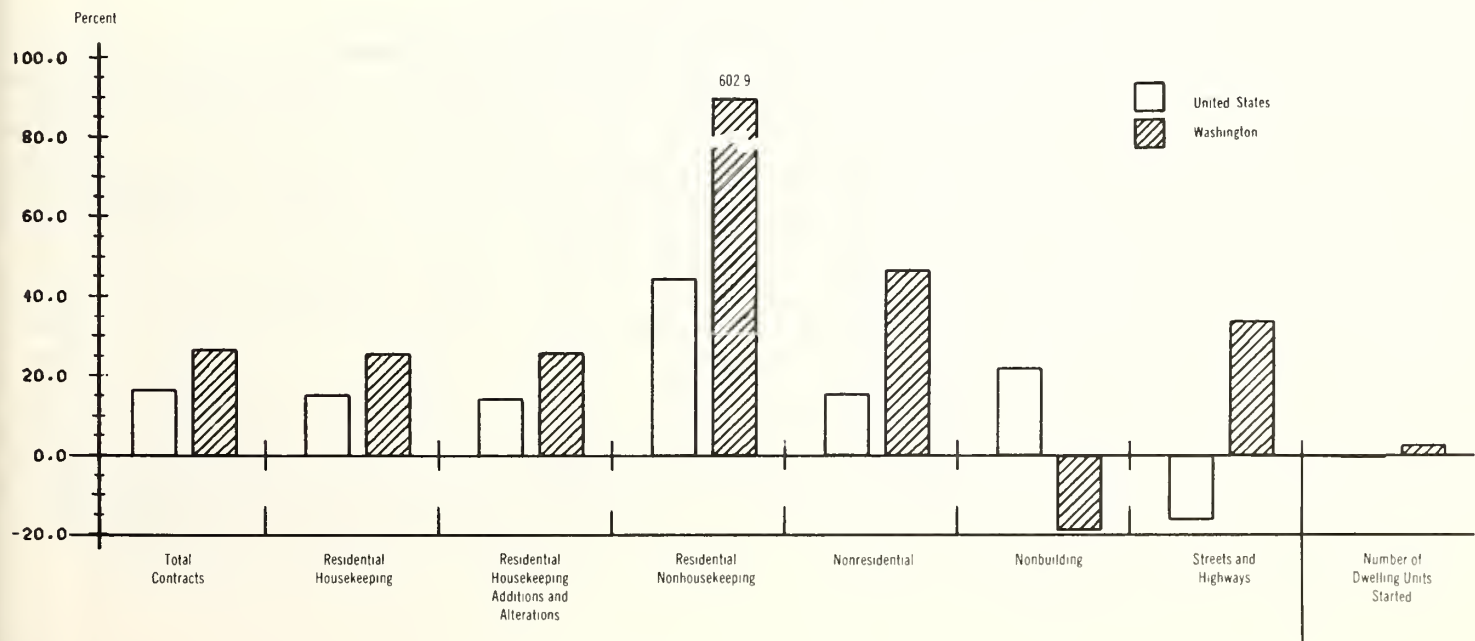


TABLE 6.—Construction Contracts, United States and Washington Through Fourth Quarter, 1978¹

| | United States | | | Washington | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|------------|-----------|-----------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 964,751 | 825,560 | 1,553,207 | 1,046,520 | 14.5 | 61.0 | 16.8 | 26.8 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 146,504 | 141,323 | 190,357 | 178,473 | 16.8 | 29.9 | 14.6 | 26.3 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 1,077 | 924 | 1,326 | 1,007 | 4.4 | 23.1 | -9.3 | 9.0 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 818,247 | 684,237 | 1,362,850 | 868,047 | 14.0 | 66.6 | 17.4 | 26.9 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 23,205 | 18,184 | 26,940 | 23,734 | 10.8 | 16.1 | 10.2 | 30.5 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 321 | 265 | 270 | 273 | -5.1 | -15.9 | -4.3 | 3.0 |
| Number of dwelling units | 445,772 | 443,075 | 15,220 | 11,396 | 12,927 | 11,688 | 1.0 | -15.1 | -6 | 2.6 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 466,773 | 367,089 | 526,000 | 462,636 | 15.3 | 12.7 | 15.6 | 26.0 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 16,808 | 12,982 | 17,272 | 15,452 | 10.3 | 2.8 | 10.7 | 19.0 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 10 | 12 | 7 | 9 | -10.0 | -30.0 | -4 | -25.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 4,060 | 3,398 | 5,927 | 23,886 | 9.4 | 46.0 | 44.8 | 602.9 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 146 | 138 | 127 | 536 | -7 | -13.1 | 24.7 | 288.9 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 440 | 437 | 599 | 516 | -2.5 | 36.1 | -12.0 | 18.1 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 187,700 | 192,645 | 343,798 | 283,202 | 27.6 | 83.2 | 15.8 | 47.0 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 6,250 | 5,064 | 9,541 | 7,746 | 12.2 | 52.7 | 8.9 | 53.0 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 306 | 210 | 450 | 209 | 22.4 | 47.1 | -9.1 | -5 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 159,714 | 121,105 | 487,125 | 98,323 | -1 | 205.0 | 22.2 | -18.8 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 116 | 63 | 149 | 77 | 9.3 | 28.4 | -17.8 | 22.2 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 53,959 | 27,757 | 59,332 | 37,216 | 3.0 | 10.0 | -16.3 | 34.1 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Washington are not available.

TABLE 7.—Retail Sales, United States and Washington Through Fourth Quarter, 1978

| | United States | | | Washington | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| Retail sales..... | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods..... | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Washington Through Fourth Quarter, 1978

| | United States | | | Washington | | | U.S. | State | U.S. | State |
|--|-------------------------|---------|----------|------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 2,207 | 1,887 | 2,277 | n.a. | 8.2 | 3.2 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 59 | 65 | 26 | n.a. | -9.5 | -55.9 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 7,314 | 8,530 | 6,542 | n.a. | -44.2 | -10.6 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 124 | 131 | 252 | n.a. | -38.4 | 103.2 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 5 | 2 | 3 | n.a. | -10.1 | -40.0 | --- | --- |
| Construction | 319 | n.a. | 14 | 18 | 5 | n.a. | 1.0 | -64.3 | --- | --- |
| Wholesale trade | 191 | n.a. | 8 | 4 | 4 | n.a. | -27.1 | -50.0 | --- | --- |
| Retail trade | 688 | n.a. | 19 | 23 | 8 | n.a. | -4.2 | -57.9 | --- | --- |
| Commercial services | 238 | n.a. | 13 | 18 | 6 | n.a. | -24.0 | -53.8 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 10.9% vs. 12.6% in U.S., to \$12.8 billion
- Payrolls up 5.0% in nondurables manufacturing vs. 10.0% in U.S. and 10.2% in trade vs. 14.1% in U.S.
- Payrolls down 2.9% in services vs. 12.7% increase in U.S.

Consumer prices

- Up 10.6% in Pittsburgh vs. 8.9% in U.S.

Employment

- Up 8.0% vs. 3.9% in U.S., to 707,000

Unemployment

- Down 5,000, to 40,000
- Rate down to 5.3% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 19.5% vs. 16.8% in U.S., to \$257.7 million
- Number of dwelling-unit starts up 152.1% vs. near stability in U.S., to 2,123

TABLE 1.—Summary of Economic Indicators, United States and West Virginia Through Fourth Quarter, 1978

| | United States | | | West Virginia | | | U.S. | State | U.S. | State |
|--|--|------------|----------|---------------|----------|---------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 11,326 | 11,570 | 12,318 | 12,829 | 12.4 | 8.8 | 12.6 | 10.9 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 7,225 | 7,325 | 7,683 | 8,078 | 12.1 | 6.3 | 12.6 | 10.3 |
| Civilian employment (thousands) | 92,442 | 96,010 | 657 | 655 | 680 | 707 | 4.1 | 3.5 | 3.9 | 8.0 |
| Unemployment (thousands) | 6,149 | 5,605 | 43 | 45 | 43 | 40 | -9.8 | 1.2 | -8.8 | -10.7 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 6.1 | 6.4 | 6.0 | 5.3 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 4,174 | 4,327 | 4,978 | n.a. | 16.3 | 19.2 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 6,707 | 6,980 | 7,258 | n.a. | 11.5 | 8.2 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 233,806 | 215,670 | 296,007 | 257,733 | 14.5 | 26.6 | 16.8 | 19.5 |
| Dwelling units started (number) | 445,772 | 443,075 | 1,348 | 842 | 1,748 | 2,123 | 1.0 | 29.7 | -6 | 152.1 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 604 | 618 | 557 | n.a. | 8.2 | -7.8 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 10 | 5 | 7 | n.a. | -9.5 | -30.0 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Pittsburgh | --- | --- | 180.6 | 183.5 | 199.1 | 202.9 | --- | 10.2 | --- | 10.6 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

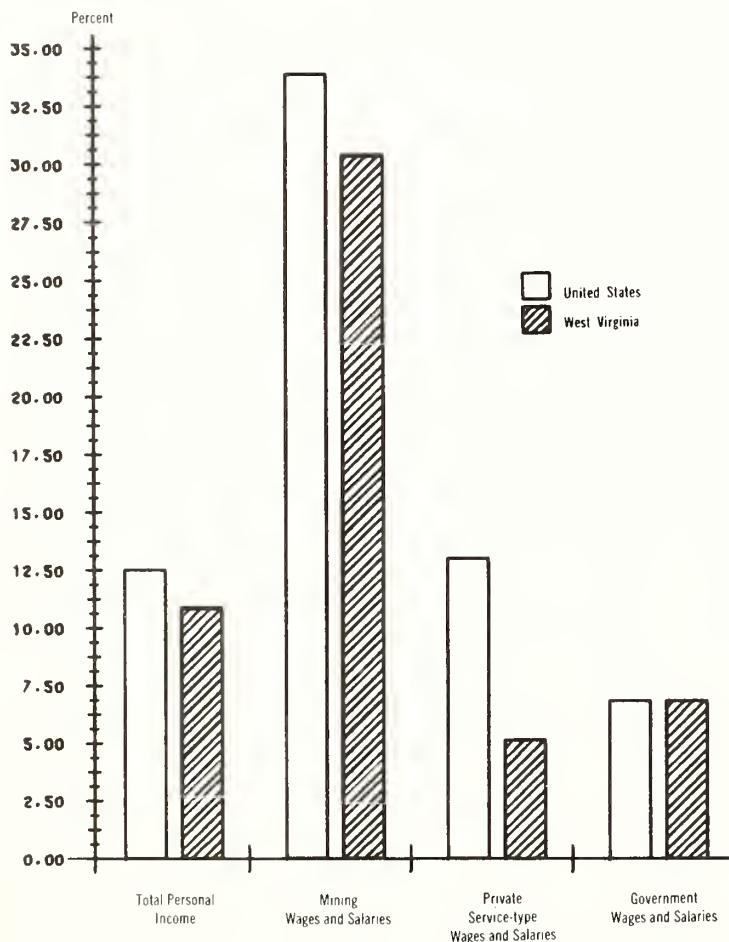
Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.9 percent from 1977:IV to 1978:IV, the smallest increase in the Southeast region (table 2). Nationally, personal income increased 12.6 percent from year to year. In 1978:IV, West Virginia's personal income totaled \$12.8 billion, up \$1.3 billion since 1977:IV.

The State's nonfarm personal income increased 10.9 percent from year to year versus 12.3 percent nationally. Since the most recent national business cycle peak in 1973:IV, West Virginia's economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 14 percent more than nationally, ranking West Virginia 18th among all States.

From 1977:IV to 1978:IV, the **Consumer Price Index** for the Pittsburgh metropolitan area increased 10.6 percent versus an 8.9-percent national city average increase (table 3). If Pittsburgh's index is used as an indicator for price movements in the State, real total personal income in West Virginia remained almost unchanged from year to year versus a 3.7-percent national increase.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 10.3 percent in the State versus 12.6 percent nationally. West Virginia's increase was one of the smallest in the Nation. In 1978:IV, payrolls totaled \$8.1 billion in the State, up \$753 million since 1977:IV.

Within West Virginia's private service-type industry group, payrolls declined in one component and sharply lagged national increases in all other components. A year-to-year payroll decline of 2.9 percent in the State's services payrolls compared unfavorably with a national increase of 12.7 percent; West Virginia was the only State with a decline. Payrolls increased 5.5 percent in the State's transportation-communication-public utilities component versus 11.3 percent nationally, 10.2 percent in trade versus 14.1 percent nationally, and 8.4 percent in finance-insurance-real estate versus 13.2 percent nationally. All three State increases ranked among the smallest in the Nation in their respective categories.

In manufacturing, nondurable goods payrolls increased only 5.0 percent in the State, one of the smallest increases among all States, compared with a national increase of 10.0 percent. In contrast, durable goods manufacturing payrolls in West Virginia increased 15.4 percent from year to year, a fraction more than nationally.

Construction payrolls in the State declined 1.1 percent versus a national increase of 20.1 percent; only one other State, Alaska, registered a decline. Mining payrolls in West Virginia increased 30.4 percent from year to year, 3.5 percentage points less than nationally.

State and local government payrolls increased 6.8 percent, the same as nationally. Federal Government payrolls increased 7.2 percent in the State, a fraction more than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 34.2 percent in West Virginia and 30.3 percent throughout the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

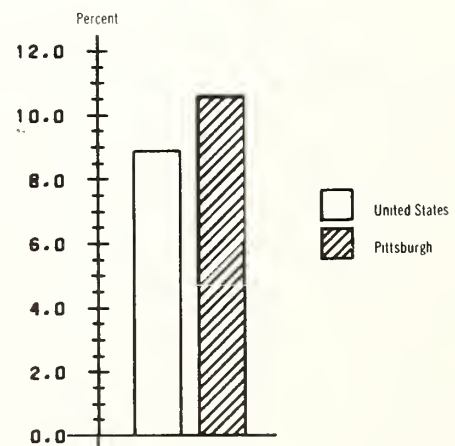


Chart 3.—Total Personal Income

[Seasonally adjusted]

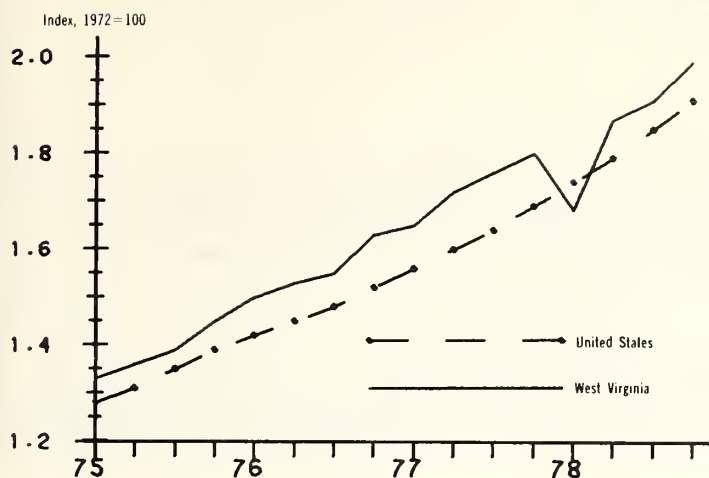


Chart 4.—Industrial Composition of Wages and Salaries: West Virginia

[Seasonally adjusted]

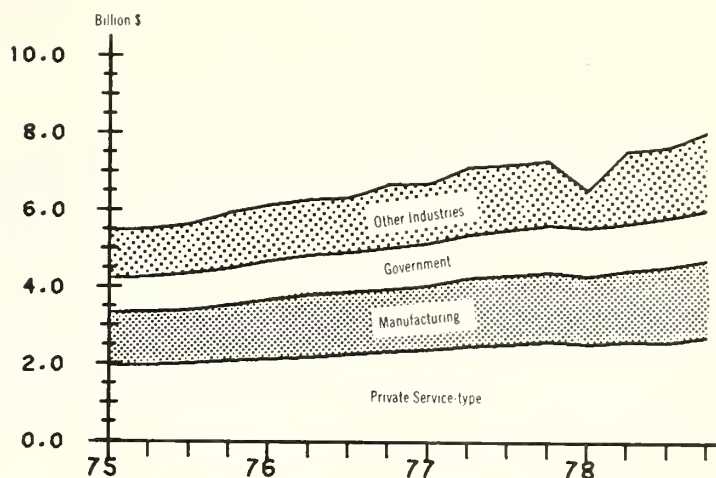


TABLE 2.—Personal Income, United States and West Virginia Through Fourth Quarter, 1978

| | United States | | | West Virginia | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 11,326 | 11,570 | 12,318 | 12,829 | 12.4 | 8.8 | 12.6 | 10.9 |
| Farm personal income | 31,224 | 39,451 | 18 | 21 | 22 | 21 | 47.9 | 22.4 | 26.3 | -1.9 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 11,308 | 11,549 | 12,296 | 12,809 | 11.9 | 8.7 | 12.3 | 10.9 |
| Total personal income | 1,583,508 | 1,782,519 | 11,326 | 11,570 | 12,318 | 12,829 | 12.4 | 8.8 | 12.6 | 10.9 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 7,225 | 7,325 | 7,683 | 8,078 | 12.1 | 6.3 | 12.6 | 10.3 |
| Other labor income | 96,016 | 111,719 | 843 | 859 | 958 | 1,014 | 17.0 | 13.5 | 16.4 | 18.1 |
| Proprietors' income | 105,953 | 125,995 | 621 | 632 | 687 | 726 | 21.5 | 10.7 | 18.9 | 14.8 |
| Farm | 23,636 | 31,044 | 8 | 12 | 13 | 12 | 66.6 | 55.1 | 31.3 | -4.9 |
| Nonfarm | 82,317 | 94,951 | 613 | 620 | 674 | 714 | 12.8 | 10.1 | 15.3 | 15.2 |
| Dividends, interest, and rent | 214,992 | 242,442 | 1,180 | 1,207 | 1,315 | 1,351 | 12.3 | 11.4 | 12.8 | 12.0 |
| Transfer payments | 215,944 | 233,750 | 2,054 | 2,143 | 2,293 | 2,318 | 8.8 | 11.6 | 8.2 | 8.2 |
| State unemployment insurance benefits | 11,128 | 7,753 | 53 | 103 | 80 | 68 | -24.0 | 51.7 | -30.3 | -34.2 |
| Less: personal contributions | 62,212 | 71,610 | 460 | 461 | 493 | 516 | 14.8 | 7.1 | 15.1 | 12.0 |
| Plus: residence adjustment | -401 | -473 | -137 | -134 | -124 | -143 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 7,225 | 7,325 | 7,683 | 8,078 | 12.1 | 6.3 | 12.6 | 10.3 |
| Farm | 7,176 | 7,939 | 9 | 9 | 9 | 9 | 8.5 | -7.0 | 10.6 | 2.2 |
| Nonfarm | 1,006,040 | 1,132,757 | 7,215 | 7,316 | 7,674 | 8,070 | 12.1 | 6.4 | 12.6 | 10.3 |
| Mining | 14,048 | 18,813 | 1,110 | 1,102 | 1,314 | 1,436 | 26.5 | 18.4 | 33.9 | 30.4 |
| Construction | 55,648 | 66,858 | 567 | 569 | 491 | 563 | 19.1 | -13.3 | 20.1 | -1.1 |
| Manufacturing | 276,112 | 312,970 | 1,809 | 1,798 | 1,970 | 2,001 | 12.1 | 8.9 | 13.3 | 11.3 |
| Durable goods | 176,216 | 203,053 | 1,114 | 1,092 | 1,239 | 1,259 | 13.7 | 11.2 | 15.2 | 15.4 |
| Nondurable goods | 99,896 | 109,917 | 695 | 706 | 731 | 741 | 9.4 | 5.2 | 10.0 | 5.0 |
| Private service-type | 455,764 | 515,348 | 2,553 | 2,625 | 2,609 | 2,761 | 12.8 | 2.2 | 13.1 | 5.2 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 614 | 630 | 594 | 664 | 10.4 | -3.2 | 11.3 | 5.5 |
| Wholesale and retail trade | 170,888 | 195,035 | 1,014 | 1,037 | 1,096 | 1,143 | 13.6 | 8.1 | 14.1 | 10.2 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 201 | 212 | 222 | 230 | 14.1 | 10.2 | 13.2 | 8.4 |
| Services | 153,840 | 173,396 | 724 | 746 | 698 | 724 | 12.6 | -3.6 | 12.7 | -2.9 |
| Government | 201,252 | 215,083 | 1,169 | 1,215 | 1,281 | 1,299 | 7.4 | 9.5 | 6.9 | 6.9 |
| Federal | 68,176 | 73,003 | 245 | 258 | 263 | 276 | 7.3 | 7.2 | 7.1 | 7.2 |
| State and local | 133,076 | 142,080 | 924 | 958 | 1,018 | 1,023 | 7.5 | 10.1 | 6.8 | 6.8 |
| Other | 3,216 | 3,685 | 8 | 8 | 9 | 9 | 18.7 | 21.1 | 14.6 | 14.1 |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and West Virginia Through Fourth Quarter, 1978¹

| | United States | | | West Virginia | | | U.S. | State | U.S. | State |
|--------------------------|--|---------|----------|---------------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Pittsburgh | --- | --- | 180.6 | 183.5 | 199.1 | 202.9 | --- | 10.2 | --- | 10.6 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, West Virginia's **civilian labor force** increased 6.8 percent, well over two times the national rate of gain (table 4). West Virginia's increase was the second largest in the Nation, after Alaska's 8.8-percent increase. **Total employment** increased 8.0 percent, more than in any other State, to 707,000. The national increase was 3.9 percent.

The sharp increases in West Virginia reflect, to a considerable extent, the relatively depressed labor force and employment levels of 1977:IV. In December 1977, a strike of unionized coal miners began, negatively affecting labor force and employment levels through March 1978, when the strike ended.

With employment increasing by 52,000 and the labor force increasing by 47,000, the number of **unemployed** declined by 5,000, to 40,000. West Virginia's **unemployment rate** declined 1.1 percentage points, to 5.3 percent of the labor force. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among West Virginia's major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 6.5 percent, ranged from 5.7 percent in Wheeling to 3.9 percent in Charleston. From December 1977 to December 1978, unemployment rates declined sharply in all major metropolitan areas of the State; the decline was especially large in Wheeling, 3.3 percentage points.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: West Virginia

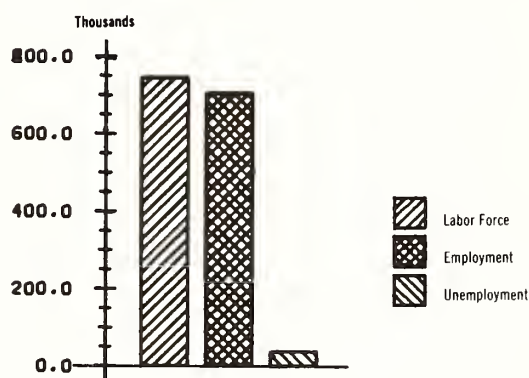


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

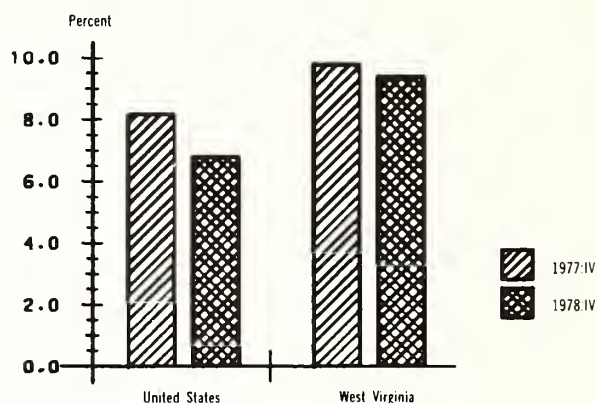


TABLE 4.—Labor Force, United States and West Virginia Through Fourth Quarter, 1978

| | United States | | | West Virginia | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 614 | 608 | 621 | 638 | 4.3 | 1.1 | 4.2 | 5.0 |
| Mining..... | 787 | 899 | 66 | 56 | 69 | 75 | 8.2 | 4.5 | 14.2 | 32.3 |
| Construction .. | 4,032 | 4,488 | 40 | 39 | 40 | 42 | 10.4 | -1.7 | 11.3 | 8.2 |
| Manufacturing | 19,986 | 20,722 | 126 | 125 | 125 | 126 | 3.1 | -1.0 | 3.7 | 1.0 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 41 | 40 | 39 | 42 | 3.8 | -4.2 | 4.4 | 4.0 |
| Wholesale and retail trade | 19,152 | 20,015 | 123 | 126 | 124 | 129 | 5.3 | .6 | 4.5 | 1.7 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 20 | 20 | 20 | 21 | 4.8 | 2.5 | -2.0 | 2.5 |
| Services | 15,539 | 16,215 | 87 | 87 | 88 | 89 | 4.6 | 1.1 | 4.4 | 1.9 |
| Government | 15,434 | 15,656 | 111 | 114 | 116 | 115 | 2.1 | 4.5 | 1.4 | 1.7 |
| Civilian labor force ³ | 98,591 ¹ | 101,615 | 700 | 700 | 724 | 747 | 3.2 | 3.4 | 3.1 | 6.8 |
| Total employed | 92,442 | 96,010 | 657 | 655 | 680 | 707 | 4.1 | 3.5 | 3.9 | 8.0 |
| Total unemployed | 6,149 | 5,605 | 43 | 45 | 43 | 40 | -9.8 | 1.2 | -8.8 | -10.7 |
| Percent unemployed | 6.2 | 5.5 | 6.1 | 6.4 | 6.0 | 5.3 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

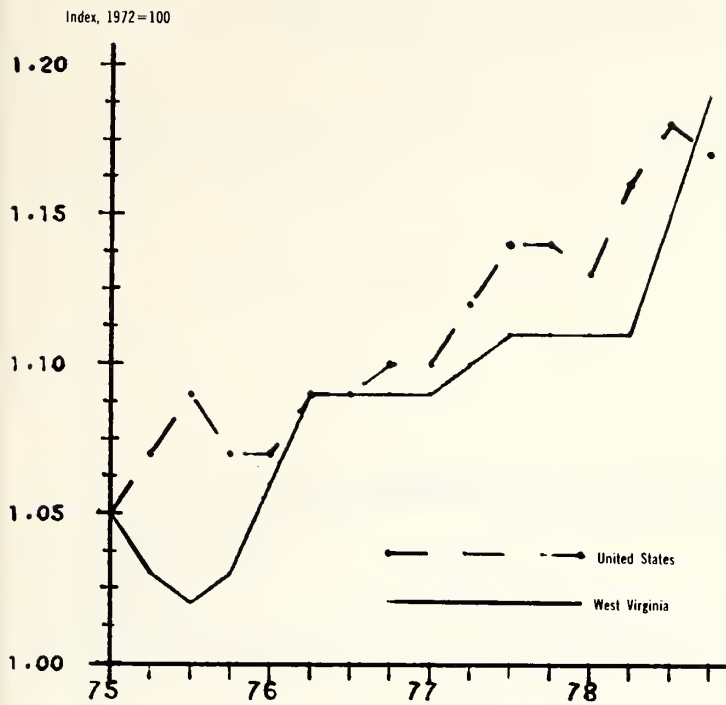


Chart 8.—Civilian Employment

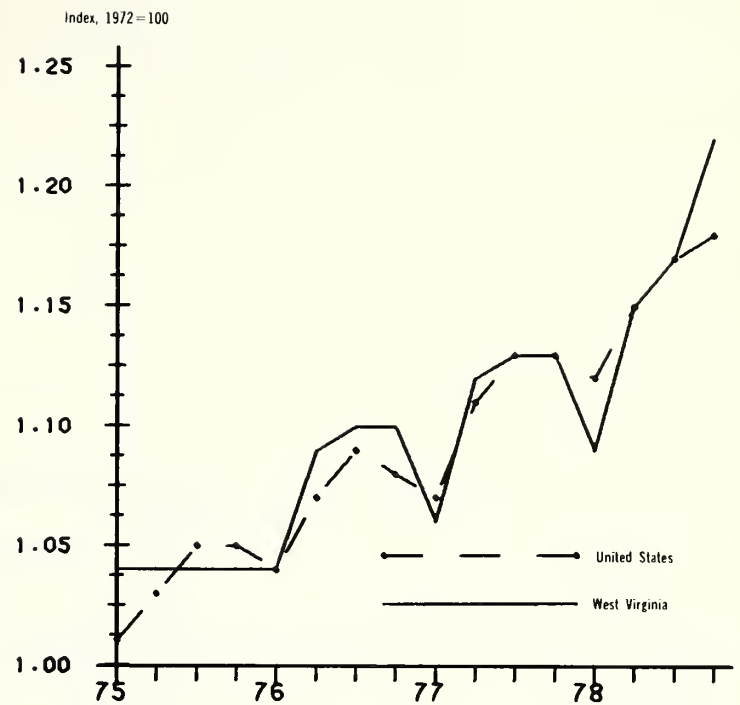


Chart 9.—Unemployment Rate

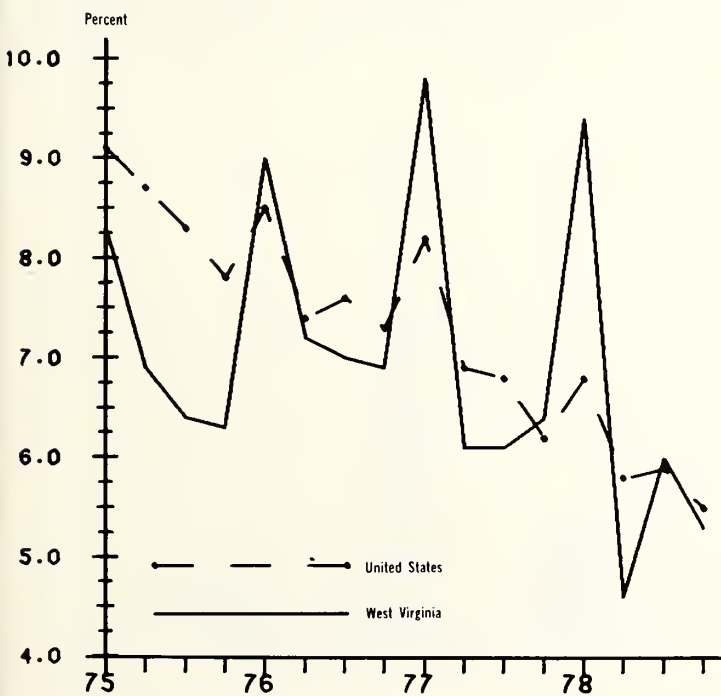
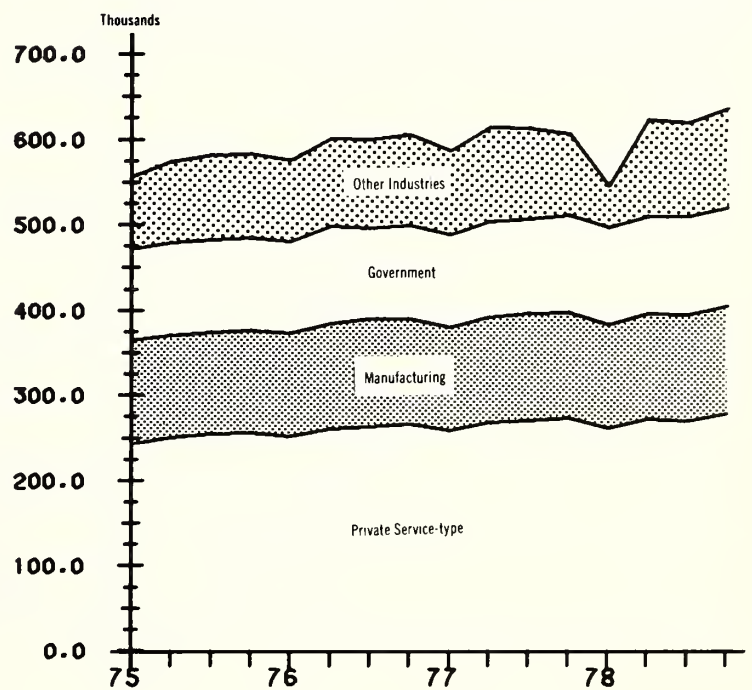


Chart 10.—Industrial Composition of Nonagricultural Employment: West Virginia



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and West Virginia Through Fourth Quarter, 1978

| | United States | | | West Virginia | | | U.S. | State | U.S. | State |
|------------------------------|---|---------|----------|---------------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 4,174 | 4,327 | 4,978 | n.a. | 16.3 | 19.2 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 663 | 687 | 756 | n.a. | 14.2 | 14.1 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 1,598 | 1,618 | 1,836 | n.a. | 20.2 | 14.9 | --- | --- |
| Real estate | 177,935 | n.a. | 1,789 | 1,899 | 2,255 | n.a. | 19.9 | 26.1 | --- | --- |
| Residential | 101,236 | n.a. | 1,270 | 1,354 | 1,628 | n.a. | 21.3 | 28.2 | --- | --- |
| Farms | 7,731 | n.a. | 71 | 75 | 84 | n.a. | 10.7 | 17.6 | --- | --- |
| Other | 68,968 | n.a. | 448 | 470 | 543 | n.a. | 19.0 | 21.3 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 34 | 34 | 35 | n.a. | 6.8 | 3.2 | --- | --- |
| Other | 69,947 | n.a. | 91 | 90 | 96 | n.a. | 8.0 | 5.2 | --- | --- |
| Total deposits | 925,511 | n.a. | 6,707 | 6,980 | 7,258 | n.a. | 11.5 | 8.2 | --- | --- |
| Demand | 377,683 | n.a. | 2,038 | 2,209 | 2,178 | n.a. | 10.2 | 6.9 | --- | --- |
| Time and savings | 547,828 | n.a. | 4,669 | 4,771 | 5,080 | n.a. | 12.3 | 8.8 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 19.5 percent (\$42.1 million), to \$257.7 million (table 6). The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase in the State, the real increase in the total valuation of contracts in West Virginia was more than 6 percent versus about 4 percent nationally.

Residential housekeeping contracts increased 162.0 percent in valuation versus 15.6 percent nationally. To a considerable extent, West Virginia's strong increase, the largest State increase in the Nation, reflected an unusually low valuation in 1977:IV, following a period of numerous wildcat strikes that affected thousands of coal miners. The number of dwelling units started increased 152.1 percent, or 1,281 units, to 2,123.

Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased 30.0 percent in valuation, twice as much as nationally. West Virginia's increase was one of the largest in the Nation.

Nonbuilding contracts declined 6.9 percent in valuation, compared with a national increase of 22.2 percent. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 36.3 percent in the State and 16.3 percent nationally.

Nonresidential contracts declined 32.6 percent in valuation, one of the largest declines among all States. Nationally, nonresidential contracts increased 15.8 percent.

Chart 14.—Construction Contracts—Total Valuation

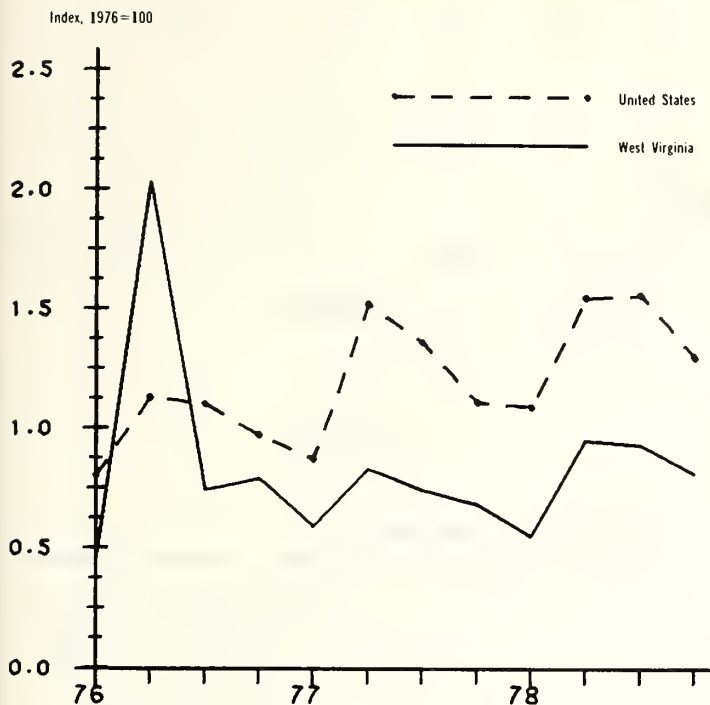


Chart 15.—Construction Contracts—Valuation of Contracts by Type: West Virginia

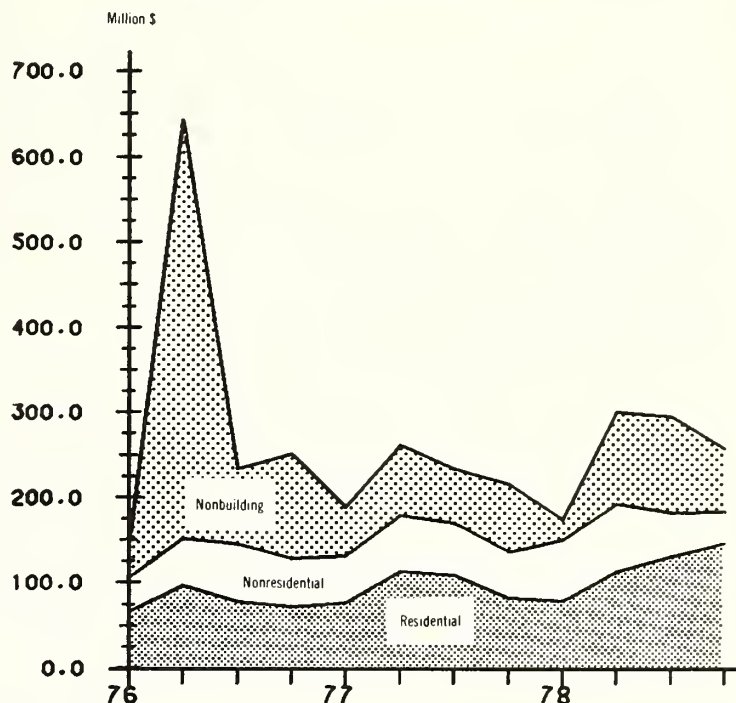


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

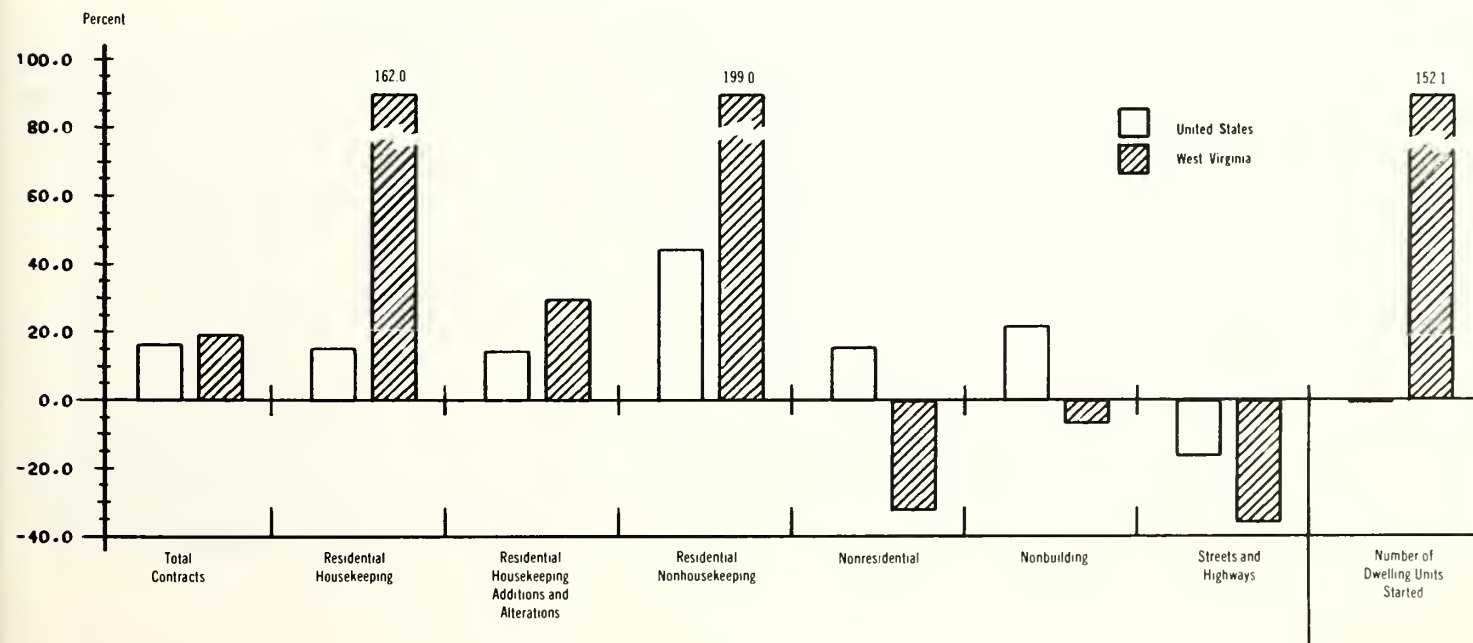


TABLE 6.—Construction Contracts, United States and West Virginia Through Fourth Quarter, 1978¹

| | United States | | | West Virginia | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|----------------|----------------|----------------|----------------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 233,806 | 215,670 | 296,007 | 257,733 | 14.5 | 26.6 | 16.8 | 19.5 |
| Residential housekeeping, additions and alterations: Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 65,508 | 52,588 | 73,511 | 68,340 | 16.8 | 12.2 | 14.6 | 30.0 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 538 | 448 | 614 | 430 | 4.4 | 14.1 | -9.3 | -4.0 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 168,298 | 163,082 | 222,496 | 189,393 | 14.0 | 32.2 | 17.4 | 16.1 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 3,404 | 2,438 | 3,732 | 3,909 | 10.8 | 9.6 | 10.2 | 60.3 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 166 | 166 | 178 | 185 | -5.1 | 7.2 | -4.3 | 11.4 |
| Number of dwelling units | 445,772 | 443,075 | 1,348 | 842 | 1,748 | 2,123 | 1.0 | 29.7 | -6 | 152.1 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 43,138 | 28,922 | 57,490 | 75,789 | 15.3 | 33.3 | 15.6 | 162.0 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 1,775 | 1,214 | 2,248 | 2,981 | 10.3 | 26.7 | 10.7 | 145.5 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 3 | 2 | 4 | 3 | 10.0 | 33.3 | -4 | 50.0 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 581 | 1,200 | 924 | 3,588 | 9.4 | 59.0 | 44.8 | 199.0 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 13 | 76 | 12 | 98 | -7 | -4.7 | 24.7 | 28.4 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 137 | 139 | 121 | 109 | -2.5 | -11.7 | -12.0 | -21.6 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 61,564 | 53,705 | 51,295 | 36,195 | 27.6 | -16.7 | 15.8 | -32.6 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 1,617 | 1,149 | 1,472 | 830 | 12.2 | -8.9 | 8.9 | -27.7 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 232 | 141 | 311 | 133 | 22.4 | 34.1 | -9.1 | -5.7 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 63,015 | 79,255 | 112,787 | 73,821 | -1 | 79.0 | 22.2 | -6.9 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 171 | 65 | 173 | 53 | 9.3 | 1.2 | -17.8 | -18.5 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 27,027 | 51,877 | 44,330 | 33,041 | 3.0 | 64.0 | -16.3 | -36.3 |

***Percent change greater than 999.9.

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for West Virginia are not available.

TABLE 7.—Retail Sales, United States and West Virginia Through Fourth Quarter, 1978

| | United States | | | West Virginia | | | U.S. | State | U.S. | State |
|---------------------------|--|----------------|-------------|---------------|-------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a.. Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and West Virginia Through Fourth Quarter, 1978

| | United States | | | West Virginia | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------|------------|---------------|------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 604 | 618 | 557 | n.a. | 8.2 | -7.8 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 10 | 5 | 7 | n.a. | -9.5 | -30.0 | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 836 | 386 | 405 | n.a. | -44.2 | -51.6 | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 84 | 77 | 58 | n.a. | -38.4 | -31.0 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 1 | 0 | 1 | n.a. | -10.1 | .0 | --- | --- |
| Construction | 319 | n.a. | 3 | 1 | 2 | n.a. | 1.0 | -33.3 | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 0 | 1 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 4 | 2 | 3 | n.a. | -4.2 | -25.0 | --- | --- |
| Commercial services | 238 | n.a. | 2 | 2 | 1 | n.a. | -24.0 | -50.0 | --- | --- |

n.a.. Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

| | |
|------------------------|---|
| Personal income | —Up 10.9%, 1.7 percentage points less than in U.S. —Large decline in farm income —Nonfarm income up 12.2%, about the same as in U.S. |
| Consumer prices | —Up 10.5% in Milwaukee vs. 8.9% in U.S. |
| Employment | —Up 4.3% vs. 3.9% in U.S., to 2.2 million |
| Unemployment | —Up between 17,000 and 18,000, to 116,000 —Rate up to 4.9% of labor force vs. 5.5% U.S. rate |
| Construction | —Total valuation of contracts down 2.5% vs. an increase of 16.8% in U.S., to \$844 million —Weakness in all major construction categories in State —Number of dwelling-unit starts down 24.1% vs. little change in U.S., to 8,775 |
| Retail sales | —Up 13.1% vs. 11.2% in U.S., to \$4.8 billion |

TABLE 1.—Summary of Economic Indicators, United States and Wisconsin Through Fourth Quarter, 1978

| | United States | | | Wisconsin | | | U.S. | State | U.S. | State |
|--|--|------------|----------|-----------|-----------|---------|-----------------------|---------------------|-----------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 1,782,519 | 32,438 | 33,288 | 35,661 | 36,905 | 12.4 | 9.9 | 12.6 | 10.9 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 20,252 | 20,660 | 22,463 | 23,250 | 12.1 | 10.9 | 12.6 | 12.5 |
| Civilian employment (thousands) | 92,442 | 96,010 | 2,148 | 2,145 | 2,227 | 2,238 | 4.1 | 3.6 | 3.9 | 4.3 |
| Unemployment (thousands) | 6,149 | 5,605 | 100 | 99 | 110 | 116 | —9.8 | 10.2 | —8.8 | 17.5 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 4.4 | 4.4 | 4.7 | 4.9 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 11,972 | 12,387 | 13,907 | n.a. | 16.3 | 16.2 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 17,231 | 18,539 | 18,822 | n.a. | 11.5 | 9.2 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 942,526 | 865,847 | 1,206,290 | 844,143 | 14.5 | 28.0 | 16.8 | —2.5 |
| Dwelling units started (number) | 445,772 | 443,075 | 12,158 | 11,561 | 11,794 | 8,775 | 1.0 | —3.0 | —6 | —24.1 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | 3,766 | 4,222 | 4,252 | 4,774 | 10.3 | 12.9 | 11.2 | 13.1 |
| New business incorporations (number) | 109,411 | n.a. | 1,419 | 1,508 | 1,454 | n.a. | 8.2 | 2.5 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 16 | 22 | 35 | n.a. | —9.5 | 118.8 | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Milwaukee | --- | --- | 178.7 | 181.6 | 197.4 | 200.7 | --- | 10.5 | --- | 10.5 |

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.9 percent from 1977:IV to 1978:IV, 1.7 percentage points less than nationally (table 2). In 1978:IV, Wisconsin's total personal income was \$36.9 billion, for an increase of \$3.6 billion since 1977:IV. Farm income declined 17.7 percent in Wisconsin, in sharp contrast to a national increase of 26.3 percent. Among all States, only four had sharper declines. Nonfarm personal income in Wisconsin increased 12.2 percent, about the same as in the Nation.

Since the last national business cycle peak (1973:IV), Wisconsin's nonfarm economic growth has been about the same as in the Nation; among all States, its nonfarm income increase ranked 32nd.

Consumer prices from 1977:IV to 1978:IV in the Milwaukee metropolitan area increased 10.5 percent versus a national increase of 8.9 percent (table 3). If Milwaukee's index is used as an indicator for price movements in the State, real total personal income in Wisconsin increased only 0.4 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 12.5 percent in Wisconsin, about the same as in the Nation. In 1978:IV, payrolls totaled \$23.2 billion, up \$2.5 billion since 1977:IV.

Manufacturing payrolls increased 13.8 percent in the State versus 13.3 percent in the Nation. Increases in both durable and nondurable goods manufacturing were somewhat above increases in corresponding industries nationally.

Private service-type industry payrolls increased 12.4 percent in Wisconsin versus 13.1 percent in the Nation. Weakness was particularly evident in transportation-communication-public utilities and in finance-insurance-real estate. In contrast, the increase in services payrolls in Wisconsin was larger in the State than in the Nation.

Construction payrolls were up 22.4 percent in Wisconsin versus 20.1 percent in the Nation. Federal Government payrolls increased somewhat more in Wisconsin than in the Nation, and State and local government payrolls increased less in the State than nationally.

State unemployment insurance benefits declined 23.0 percent in Wisconsin and 30.3 percent in the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
[Seasonally adjusted]

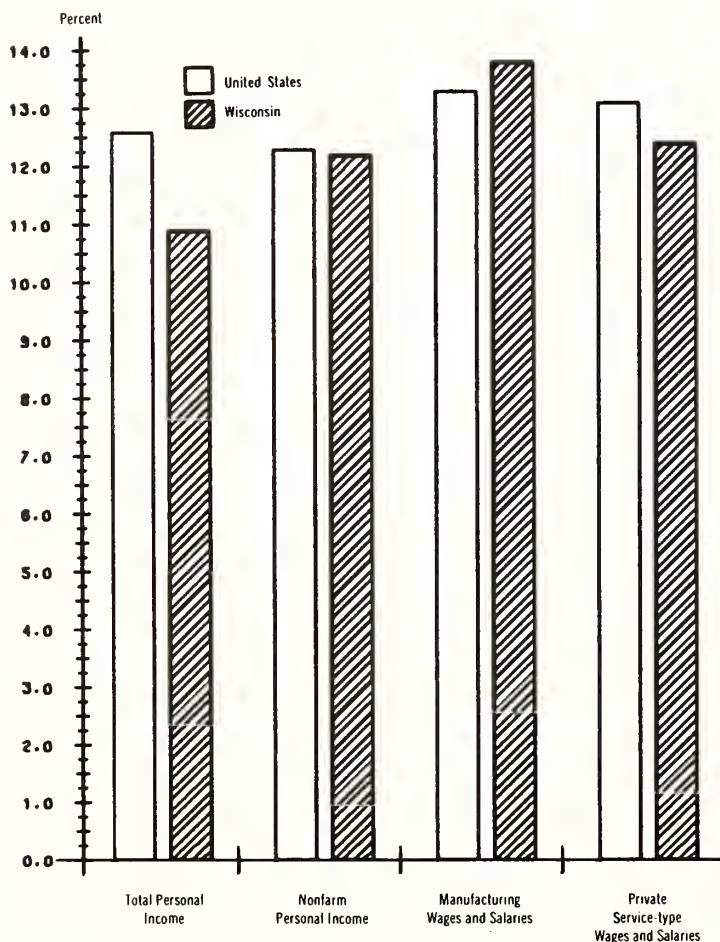


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

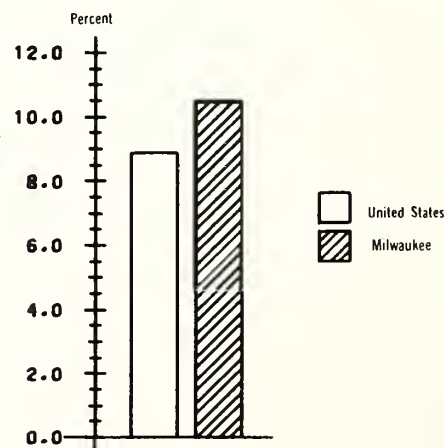


Chart 3.—Total Personal Income
[Seasonally adjusted]

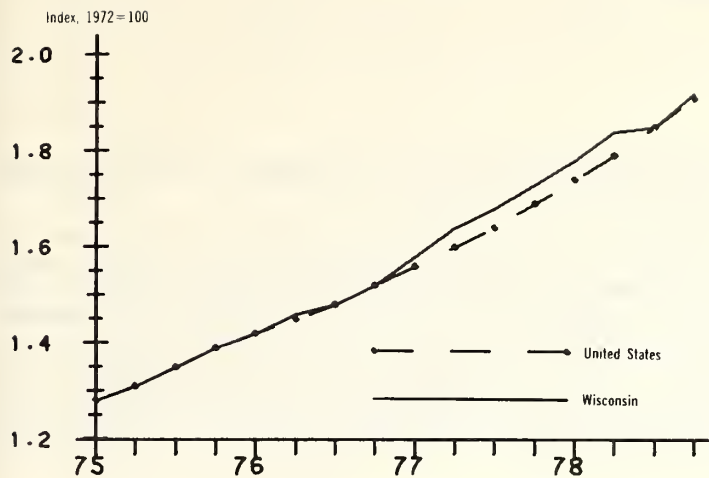


Chart 4.—Industrial Composition of Wages and Salaries: Wisconsin
[Seasonally adjusted]

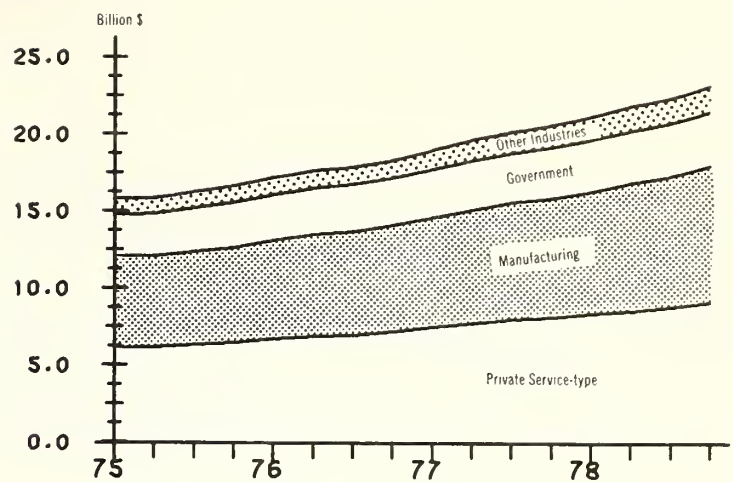


TABLE 2.—Personal Income, United States and Wisconsin Through Fourth Quarter, 1978

| | United States | | | Wisconsin | | | U.S. | State | U.S. | State |
|---|---|------------------|---------------|---------------|---------------|---------------|-----------------------------|-----------------------|---------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:IV— 1978:IV |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | Percent change ² | | | |
| Total personal income | 1,583,508 | 1,782,519 | 32,438 | 33,288 | 35,661 | 36,905 | 12.4 | 9.9 | 12.6 | 10.9 |
| Farm personal income | 31,224 | 39,451 | 1,288 | 1,513 | 1,101 | 1,245 | 47.9 | -14.5 | 26.3 | -17.7 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 31,150 | 31,775 | 34,560 | 35,659 | 11.9 | 10.9 | 12.3 | 12.2 |
| Total personal income | 1,583,508 | 1,782,519 | 32,438 | 33,288 | 35,661 | 36,905 | 12.4 | 9.9 | 12.6 | 10.9 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 20,252 | 20,660 | 22,463 | 23,250 | 12.1 | 10.9 | 12.6 | 12.5 |
| Other labor income | 96,016 | 111,719 | 1,998 | 2,063 | 2,301 | 2,386 | 17.0 | 15.2 | 16.4 | 15.7 |
| Proprietors' income | 105,953 | 125,995 | 2,795 | 3,034 | 2,774 | 2,984 | 21.5 | -7 | 18.9 | -1.6 |
| Farm | 23,636 | 31,044 | 1,128 | 1,345 | 922 | 1,058 | 66.6 | -18.2 | 31.3 | -21.3 |
| Nonfarm | 82,317 | 94,951 | 1,667 | 1,689 | 1,852 | 1,926 | 12.8 | 11.1 | 15.3 | 14.0 |
| Dividends, interest, and rent | 214,992 | 242,442 | 4,278 | 4,381 | 4,776 | 4,907 | 12.3 | 11.6 | 12.8 | 12.0 |
| Transfer payments | 215,944 | 233,750 | 4,058 | 4,098 | 4,413 | 4,469 | 8.8 | 8.7 | 8.2 | 9.1 |
| State unemployment insurance benefits | 11,128 | 7,753 | 178 | 134 | 119 | 103 | -24.0 | -33.3 | -30.3 | -23.0 |
| Less: personal contributions | 62,212 | 71,610 | 1,301 | 1,314 | 1,471 | 1,508 | 14.8 | 13.1 | 15.1 | 14.8 |
| Plus: residence adjustment | -401 | -473 | 359 | 368 | 405 | 418 | --- | --- | --- | --- |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 20,252 | 20,660 | 22,463 | 23,250 | 12.1 | 10.9 | 12.6 | 12.5 |
| Farm | 7,176 | 7,939 | 156 | 164 | 174 | 182 | 8.5 | 11.2 | 10.6 | 11.2 |
| Nonfarm | 1,006,040 | 1,132,757 | 20,095 | 20,496 | 22,289 | 23,067 | 12.1 | 10.9 | 12.6 | 12.5 |
| Mining | 14,048 | 18,813 | 35 | 34 | 41 | 42 | 26.5 | 16.5 | 33.9 | 22.7 |
| Construction | 55,648 | 66,858 | 1,145 | 1,152 | 1,352 | 1,410 | 19.1 | 18.1 | 20.1 | 22.4 |
| Manufacturing | 276,112 | 312,970 | 7,656 | 7,771 | 8,542 | 8,846 | 12.1 | 11.6 | 13.3 | 13.8 |
| Durable goods | 176,216 | 203,053 | 5,157 | 5,218 | 5,774 | 6,022 | 13.7 | 12.0 | 15.2 | 15.4 |
| Nondurable goods | 99,896 | 109,917 | 2,499 | 2,553 | 2,769 | 2,824 | 9.4 | 10.8 | 10.0 | 10.6 |
| Private service-type | 455,764 | 515,348 | 8,051 | 8,174 | 8,859 | 9,187 | 12.8 | 10.0 | 13.1 | 12.4 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 1,251 | 1,251 | 1,298 | 1,373 | 10.4 | 3.7 | 11.3 | 9.7 |
| Wholesale and retail trade | 170,888 | 195,035 | 3,220 | 3,251 | 3,543 | 3,675 | 13.6 | 10.0 | 14.1 | 13.0 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 887 | 907 | 974 | 996 | 14.1 | 9.8 | 13.2 | 9.8 |
| Services | 153,840 | 173,396 | 2,693 | 2,765 | 3,045 | 3,143 | 12.6 | 13.1 | 12.7 | 13.7 |
| Government | 201,252 | 215,083 | 3,155 | 3,309 | 3,429 | 3,518 | 7.4 | 8.7 | 6.9 | 6.3 |
| Federal | 68,176 | 73,003 | 445 | 473 | 491 | 510 | 7.3 | 10.2 | 7.1 | 8.0 |
| State and local | 133,076 | 142,080 | 2,709 | 2,837 | 2,938 | 3,007 | 7.5 | 8.4 | 6.8 | 6.0 |
| Other | 3,216 | 3,685 | 54 | 56 | 66 | 65 | 18.7 | 21.3 | 14.6 | 16.5 |

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Wisconsin Through Fourth Quarter, 1978¹

| | United States | | | Wisconsin | | | U.S. | State | U.S. | State |
|--|--|--------------|------------|------------|------------|------------|-----------------------|-----------------------|---------------------|---------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:IV | 1977:IV— 1978:IV |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | Percent change | | | |
| U.S. city average² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |
| Milwaukee | --- | --- | 178.7 | 181.6 | 197.4 | 200.7 | --- | 10.5 | --- | 10.5 |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the **civilian labor force** in Wisconsin increased 4.9 percent, 1.8 percentage points more than in the Nation (table 4). Only eight States had larger increases. **Total employment** in the State increased 4.3 percent, 0.4 percentage point more than in the Nation, to 2.2 million.

With the labor force increasing about 111,000 and total employment increasing about 93,000, **unemployment** increased by between 17,000 and 18,000, to 116,000. In 1978:IV, Wisconsin's **unemployment rate** was 4.9 percent versus 5.5 percent in the Nation. Wisconsin's rate was the second lowest in the Great Lakes region; Ohio's rate, 4.8 percent, was the lowest. The State's unemployment rate increased 0.5 percentage point from year to year, in contrast with a national decline of 0.7

percentage point. Only six States had increases in unemployment rates of 0.5 percentage point or more.

In December 1978, the preliminary unemployment rate in Wisconsin was 5.5 percent. Rates in major metropolitan areas of the State ranged from 4.1 percent in Milwaukee and 4.2 percent in Madison to 8.4 percent in Kenosha. From December 1977 to December 1978, when the State's unemployment rate increased 0.5 percentage point, the rate declined 0.1 percentage point in Milwaukee, the only major area to register a decline. In other major areas, unemployment rates increased by as much as 1.0 percentage point, as in Kenosha, and 0.9 percentage point, as in Racine.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV:
Wisconsin

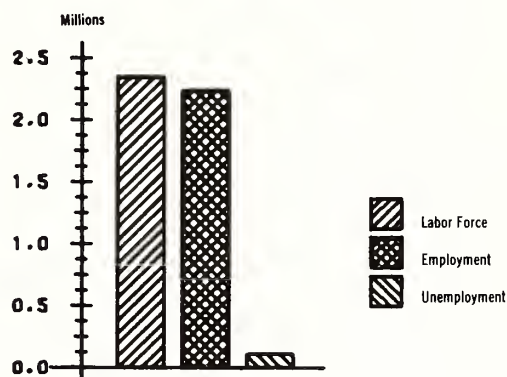


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

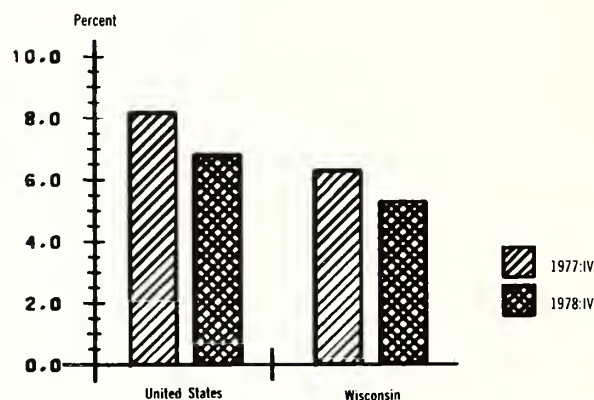


TABLE 4.—Labor Force, United States and Wisconsin Through Fourth Quarter, 1978

| | United States | | | Wisconsin | | | U.S. | State | U.S. | State |
|---|--|---------|----------|-----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 1,807 | 1,835 | 1,900 | 1,923 | 4.3 | 5.1 | 4.2 | 4.8 |
| Mining | 787 | 899 | 3 | 2 | 3 | 3 | 8.2 | .0 | 14.2 | 4.2 |
| Construction | 4,032 | 4,488 | 83 | 81 | 99 | 95 | 10.4 | 19.1 | 11.3 | 16.7 |
| Manufacturing | 19,986 | 20,722 | 544 | 542 | 564 | 562 | 3.1 | 3.6 | 3.7 | 3.8 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 84 | 88 | 87 | 90 | 3.8 | 3.3 | 4.4 | 3.3 |
| Wholesale and retail trade | 19,152 | 20,015 | 412 | 421 | 435 | 447 | 5.3 | 5.6 | 4.5 | 6.1 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 81 | 81 | 85 | 85 | 4.8 | 5.6 | -2.0 | 5.3 |
| Services | 15,539 | 16,215 | 329 | 325 | 344 | 342 | 4.6 | 4.8 | 4.4 | 5.3 |
| Government | 15,434 | 15,656 | 272 | 296 | 283 | 299 | 2.1 | 3.9 | 1.4 | 1.2 |
| Civilian labor force ³ | 98,591 | 101,615 | 2,248 | 2,244 | 2,336 | 2,355 | 3.2 | 3.9 | 3.1 | 4.9 |
| Total employed | 92,442 | 96,010 | 2,148 | 2,145 | 2,227 | 2,238 | 4.1 | 3.6 | 3.9 | 4.3 |
| Total unemployed | 6,149 | 5,605 | 100 | 99 | 110 | 116 | -9.8 | 10.2 | -8.8 | 17.5 |
| Percent unemployed | 6.2 | 5.5 | 4.4 | 4.4 | 4.7 | 4.9 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

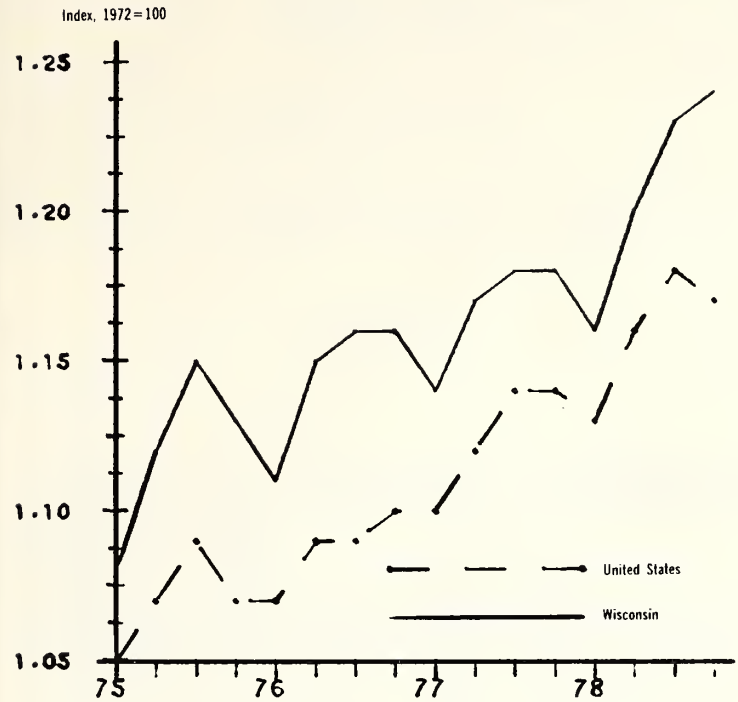


Chart 8.—Civilian Employment

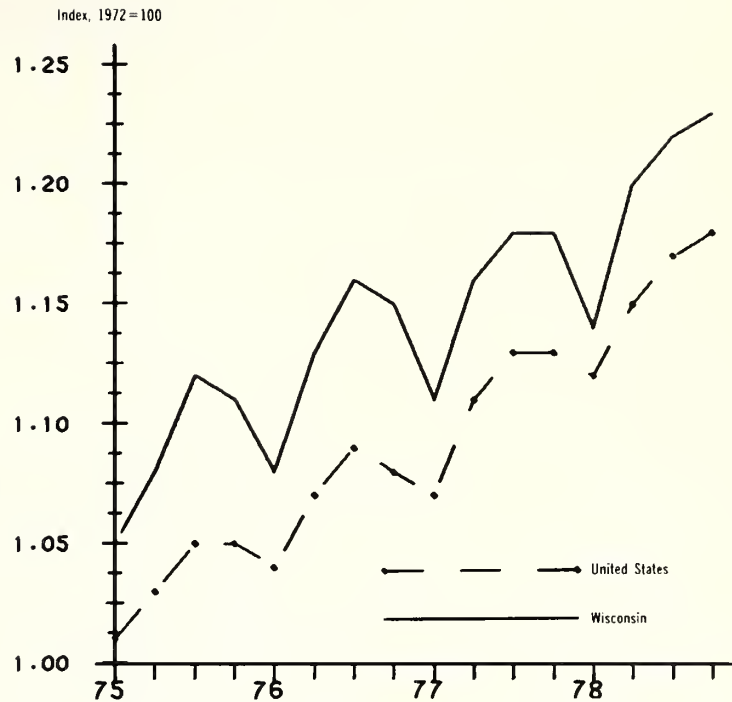


Chart 9.—Unemployment Rate

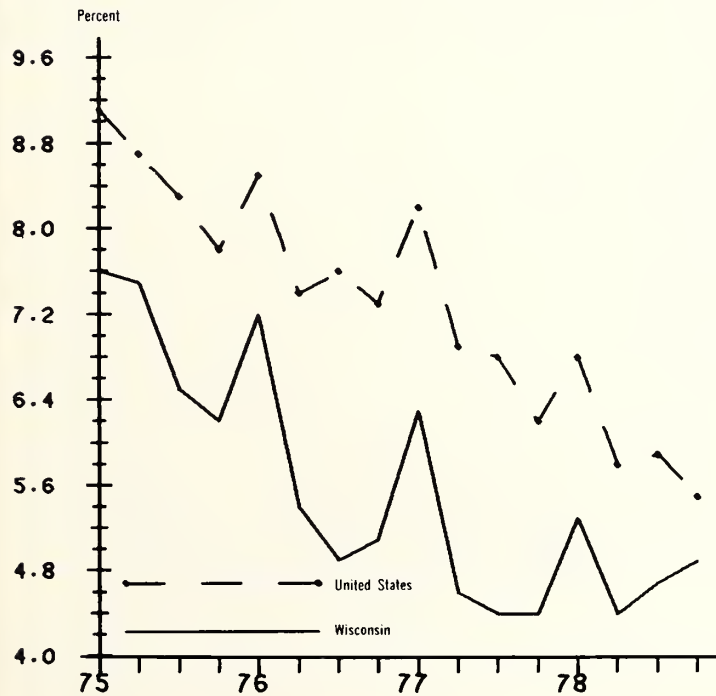
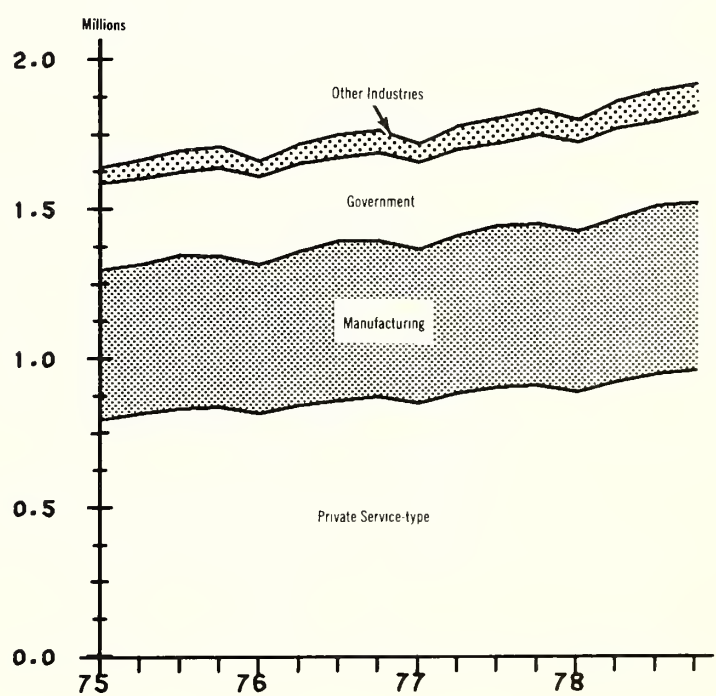


Chart 10.—Industrial Composition of Nonagricultural Employment: Wisconsin



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Wisconsin Through Fourth Quarter, 1978

| | United States | | | Wisconsin | | | U.S. | State | U.S. | State |
|------------------------------------|---|---------|----------|-----------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans .. | 610,502 | n.a. | 11,972 | 12,387 | 13,907 | n.a. | 16.3 | 16.2 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 2,987 | 3,064 | 3,384 | n.a. | 14.2 | 13.3 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 2,303 | 2,393 | 2,788 | n.a. | 20.2 | 21.0 | --- | --- |
| Real estate | 177,935 | n.a. | 5,345 | 5,593 | 6,361 | n.a. | 19.9 | 19.0 | --- | --- |
| Residential | 101,236 | n.a. | 3,305 | 3,479 | 4,023 | n.a. | 21.3 | 21.7 | --- | --- |
| Farms .. | 7,731 | n.a. | 488 | 497 | 535 | n.a. | 10.7 | 9.7 | --- | --- |
| Other | 68,968 | n.a. | 1,552 | 1,617 | 1,803 | n.a. | 19.0 | 16.1 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 661 | 661 | 740 | n.a. | 6.8 | 12.0 | --- | --- |
| Other..... | 69,947 | n.a. | 676 | 675 | 634 | n.a. | 8.0 | -6.1 | --- | --- |
| Total deposits | 925,511 | n.a. | 17,231 | 18,539 | 18,822 | n.a. | 11.5 | 9.2 | --- | --- |
| Demand | 377,683 | n.a. | 5,070 | 6,063 | 5,572 | n.a. | 10.2 | 9.9 | --- | --- |
| Time and savings | 547,828 | n.a. | 12,161 | 12,476 | 13,250 | n.a. | 12.3 | 9.0 | --- | --- |

1 Detail may not add to totals because of rounding.

2 Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts declined 2.5 percent in the State, in sharp contrast with a 16.8-percent increase in the Nation (table 6). Only five States had declines that exceeded Wisconsin's. In 1978:IV, contracts in the State totaled \$844 million, for a decline over the year of \$21 million. Most major construction categories in the State were weak.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Wisconsin, the real valuation of construction contracts declined more than 15 percent, in sharp contrast with an increase of about 4 percent in the Nation.

The valuation of residential housekeeping contracts declined 6.2 percent versus an increase of 15.6 percent in the Nation. Wisconsin's decline—one of only three such declines in the Nation—was exceeded only by

New Mexico's (16.0 percent). The number of dwelling units started declined 24.1 percent (2,786 units), to 8,775 units. Wisconsin's decline was exceeded only by declines in Texas and New Mexico. In the Nation, the number of dwelling units started was virtually unchanged at a high level. Contracts for additions and alterations to residential housekeeping units increased 6.5 percent in valuation, 8.1 percentage points less than in the Nation.

The valuation of nonresidential contracts increased 1.4 percent in Wisconsin versus 15.8 percent in the Nation.

The valuation of nonbuilding contracts declined 11 percent in the State and increased 22.2 percent in the Nation. In contrast, street and highway contracts in Wisconsin increased 36.4 percent in valuation, versus a decline of 16.3 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

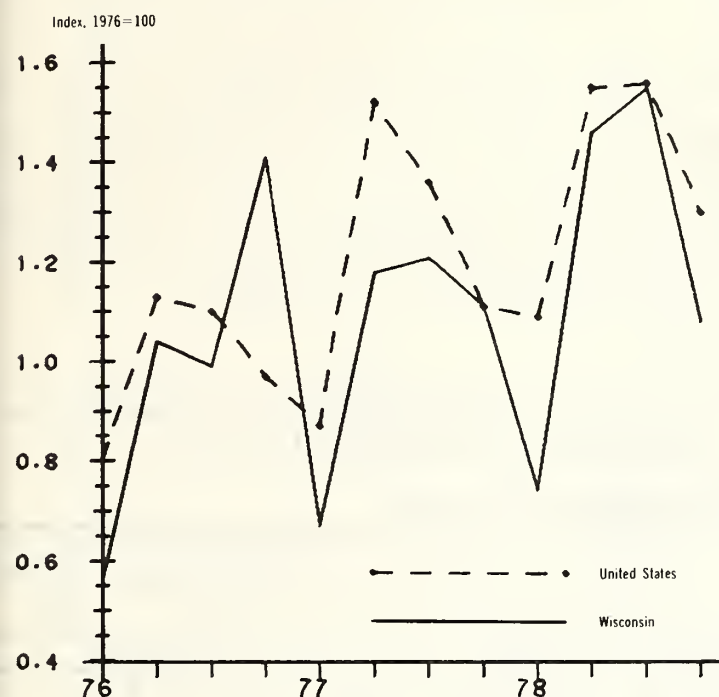


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Wisconsin

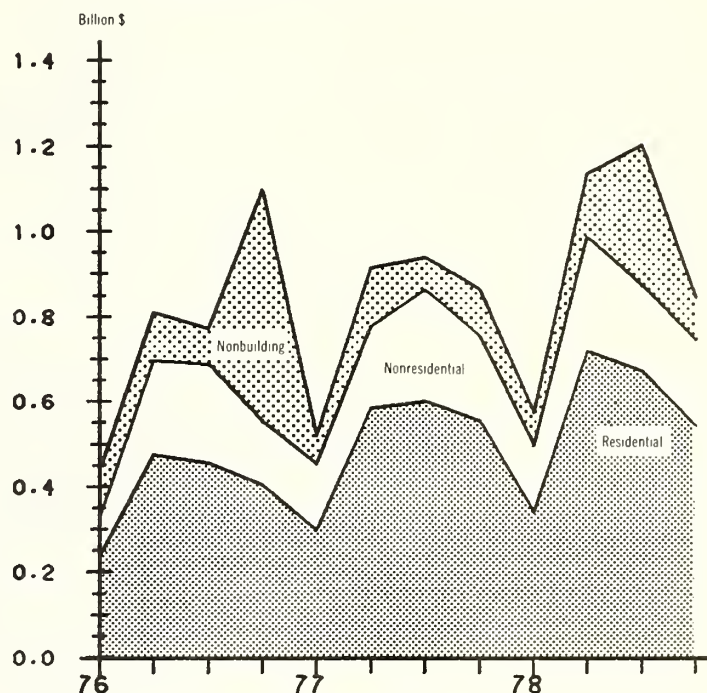


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

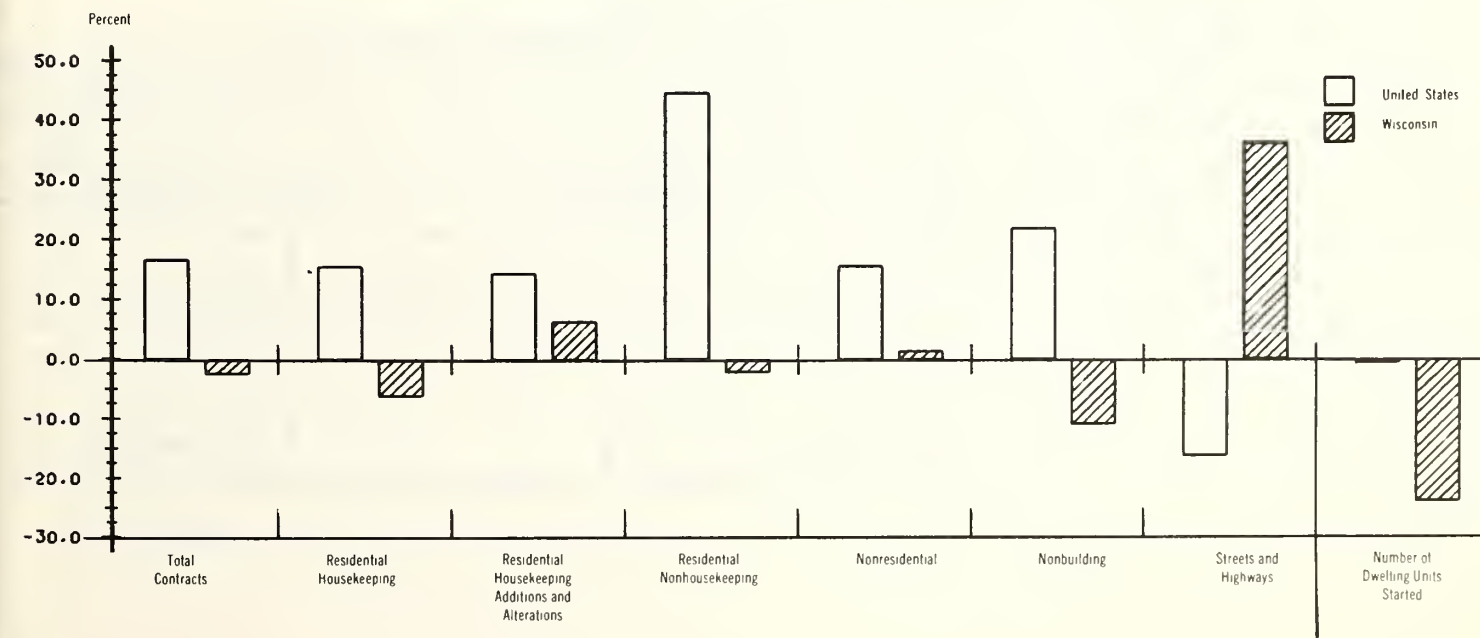


TABLE 6.—Construction Contracts, United States and Wisconsin Through Fourth Quarter, 1978¹

| | United States | | | Wisconsin | | | U.S. | State | U.S. | State |
|--|-------------------------|------------|----------|-----------|-----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 942,526 | 865,847 | 1,206,290 | 844,143 | 14.5 | 28.0 | 16.8 | -2.5 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 200,753 | 169,104 | 217,914 | 180,094 | 16.8 | 8.5 | 14.6 | 6.5 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 2,031 | 1,807 | 1,824 | 1,556 | 4.4 | -10.2 | -9.3 | -13.9 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 741,773 | 696,743 | 988,376 | 664,049 | 14.0 | 33.2 | 17.4 | -4.7 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 23,211 | 21,750 | 22,606 | 19,269 | 10.8 | -2.6 | 10.2 | -11.4 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 448 | 450 | 346 | 347 | -5.1 | -22.8 | -4.3 | -22.9 |
| Number of dwelling units | 445,772 | 443,075 | 12,158 | 11,561 | 11,794 | 8,775 | 1.0 | -3.0 | -6 | -24.1 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 401,840 | 373,436 | 449,116 | 350,409 | 15.3 | 11.8 | 15.6 | -6.2 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 14,608 | 13,803 | 15,574 | 12,045 | 10.3 | 6.6 | 10.7 | -12.7 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 4 | 17 | 9 | 15 | -10.0 | 125.0 | -4 | -11.8 |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 400 | 12,202 | 6,350 | 11,950 | 9.4 | *** | 44.8 | -2.1 |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 13 | 317 | 233 | 313 | -7 | *** | 24.7 | -1.3 |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 935 | 953 | 747 | 788 | -2.5 | -20.1 | -12.0 | -17.3 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 262,829 | 200,579 | 200,942 | 203,314 | 27.6 | -23.5 | 15.8 | 1.4 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 8,590 | 7,629 | 6,800 | 6,910 | 12.2 | -20.8 | 8.9 | -9.4 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 644 | 387 | 722 | 406 | 22.4 | 12.1 | -9.1 | 4.9 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 76,704 | 110,526 | 331,968 | 98,376 | -1 | 332.8 | 22.2 | -11.0 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 196 | 64 | 195 | 90 | 9.3 | -5 | -17.8 | 40.6 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 23,769 | 14,949 | 25,688 | 20,391 | 3.0 | 8.1 | -16.3 | 36.4 |

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Wisconsin totaled \$4.8 billion in 1978:IV, up 13.1 percent increase (table 7). In 1978:IV, nondurable goods accounted for \$3.2 billion, and durable goods accounted for \$1.6 billion.

TABLE 7.—Retail Sales, United States and Wisconsin Through Fourth Quarter, 1978

| | United States | | | Wisconsin | | | U.S. | State | U.S. | State |
|-----------------------|--|---------|----------|-----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| | | | | | | | | | | |
| Retail sales..... | 197,030 | 219,020 | 3,766 | 4,222 | 4,252 | 4,774 | 10.3 | 12.9 | 11.2 | 13.1 |
| Durable goods..... | 62,065 | 71,573 | n.a. | n.a. | 1,407 | 1,601 | 11.8 | --- | 15.3 | --- |
| Nondurable goods..... | 134,965 | 147,447 | n.a. | n.a. | 2,845 | 3,173 | 9.6 | --- | 9.2 | --- |

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Wisconsin Through Fourth Quarter, 1978

| | United States | | | Wisconsin | | | U.S. | State | U.S. | State |
|---|-------------------------|---------|----------|-----------|----------|---------|-----------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations..... | 109,411 | n.a. | 1,419 | 1,508 | 1,454 | n.a. | 8.2 | 2.5 | --- | --- |
| Total number of business failures..... | 1,684 | n.a. | 16 | 22 | 35 | n.a. | -9.5 | 118.8 | --- | --- |
| Current liabilities (thousands of dollars)..... | 484,296 | n.a. | 2,147 | 2,289 | 5,990 | n.a. | -44.2 | 179.0 | --- | --- |
| Average liability per failure (thousands of dollars)..... | 288 | n.a. | 134 | 104 | 171 | n.a. | -38.4 | 27.6 | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing..... | 248 | n.a. | 2 | 3 | 4 | n.a. | -10.1 | 100.0 | --- | --- |
| Construction..... | 319 | n.a. | 4 | 6 | 6 | n.a. | 1.0 | 50.0 | --- | --- |
| Wholesale trade..... | 191 | n.a. | 3 | 3 | 3 | n.a. | -27.1 | 0 | --- | --- |
| Retail trade..... | 688 | n.a. | 6 | 7 | 21 | n.a. | -4.2 | 250.0 | --- | --- |
| Commercial services..... | 238 | n.a. | 1 | 3 | 2 | n.a. | -24.0 | 100.0 | --- | --- |

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

WYOMING

Highlights

1977:IV to 1978:IV

Personal income

- Up 25.6% vs. 12.6% in U.S., to \$4.1 billion
- Farm personal income up 293.6% vs. 26.3% in U.S.
- Payrolls up 40.9% in mining vs. 33.9% in U.S. and 23.5% in the private service-type group vs. 13.1% in U.S.

Employment

- Up 6.4% vs. 3.9% in U.S., to 202,000

Unemployment

- Almost unchanged, at 7,000
- Rate down slightly, to 3.5% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of starts down 16.6% vs. 16.8% increase in U.S., to \$116.4 million
- Valuation of nonbuilding contracts down 53.5% vs. 22.2% increase in U.S.
- Number of dwelling-unit starts up 32.5% vs. near stability in U.S., to 1,162

TABLE 1.—Summary of Economic Indicators, United States and Wyoming Through Fourth Quarter, 1978

| | United States | | | Wyoming | | | U.S. | State | U.S. | State |
|--|--|------------|----------|---------|----------|---------|-----------------------|---------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:IV | | |
| | All indicators, except income, not seasonally adjusted | | | | | | Percent change | | | |
| Total personal income (millions of dollars) | 1,583,508 | 782,519 | 3,093 | 3,239 | 3,972 | 4,067 | 12.4 | 28.4 | 12.6 | 25.6 |
| Total wages and salaries (millions of dollars) | 1,013,216 | 1,140,696 | 2,012 | 2,119 | 2,480 | 2,626 | 12.1 | 23.3 | 12.6 | 23.9 |
| Civilian employment (thousands) | 92,442 | 96,010 | 201 | 189 | 215 | 202 | 4.1 | 7.4 | 3.9 | 6.4 |
| Unemployment (thousands) | 6,149 | 5,605 | 6 | 7 | 6 | 7 | -9.8 | -3.7 | -8.8 | 2.9 |
| Percent unemployed (unemployment/labor force) | 6.2 | 5.5 | 2.9 | 3.6 | 2.6 | 3.5 | --- | --- | --- | --- |
| Total loans (millions of dollars) | 610,502 | n.a. | 1,331 | 1,356 | 1,548 | n.a. | 16.3 | 16.3 | --- | --- |
| Total deposits (millions of dollars) | 925,511 | n.a. | 2,010 | 2,156 | 2,276 | n.a. | 11.5 | 13.2 | --- | --- |
| Total valuation of construction contracts (thousands of dollars) | 38,913,111 | 45,459,773 | 145,738 | 139,528 | 292,879 | 116,389 | 14.5 | 101.0 | 16.8 | -16.6 |
| Dwelling units started (number) | 445,772 | 443,075 | 1,078 | 877 | 1,430 | 1,162 | 1.0 | 32.7 | -6 | 32.5 |
| Total retail sales (millions of dollars) | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| New business incorporations (number) | 109,411 | n.a. | 302 | 307 | 301 | n.a. | 8.2 | -3 | --- | --- |
| Business failures (number) | 1,684 | n.a. | 0 | 0 | 1 | n.a. | -9.5 | --- | --- | --- |
| Consumer Price Index (1967=100): | | | | | | | | | | |
| U.S. city average | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

n.a.: Data not available.

Source: See tables 2 through 8.

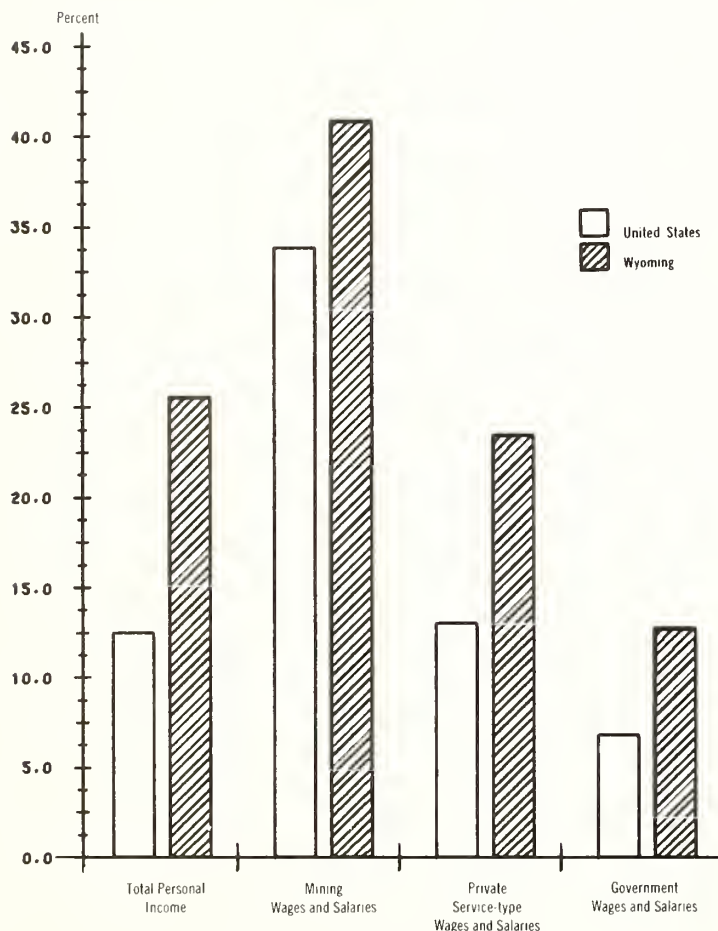
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 25.6 percent from 1977:1V to 1978:1V, more than in any other State; nationally, personal income increased 12.6 percent (table 2). In 1978:1V, Wyoming's personal income totaled \$4.1 billion, up \$828 million since 1977:1V. The State's increase in personal income would have been considerably smaller had it not been for an increase of almost 300 percent in farm personal income, the largest increase in the Nation, compared with a 26.3-percent national increase. The State's nonfarm personal income increased 20.8 percent from year to year, 8.5 percentage points more than nationally. Since the most recent national business cycle peak in 1973:1V, Wyoming's economy has grown faster than in any other State; the increase in the State's nonfarm income was 73 percent more than nationally.

Wage and salary disbursements (payrolls) in the State increased 23.9 percent from 1977:1V to 1978:1V versus 12.6 percent in the Nation; Wyoming's increase ranked first among all States. In 1978:1V, payrolls totaled \$2.6 billion in the State, up \$507 million since 1977:1V.

Chart 1.—Personal Income, Percent Change, 1977:1V–1978:1V
[Seasonally adjusted]



Mining payrolls increased 40.9 percent from year to year, 7.0 percentage points more than nationally. Wyoming's increase, one of the largest in the Nation, accounted for 38 percent of the year-to-year increase in all payrolls in the State. Construction payrolls increased 22.5 percent in Wyoming from year to year versus 20.1 percent nationally.

Within Wyoming's private service-type industry group, payrolls in all components increased considerably more than nationally. In transportation-communication-public utilities, payrolls increased 16.2 percent, one of the largest increases in the Nation, compared with a national increase of 11.3 percent. In each of the other private service-type components, Wyoming's increase ranked first among all States: 28.4 percent in trade versus 14.1 percent nationally, 23.0 percent in finance-insurance-real estate versus 13.2 percent nationally, and 24.0 percent in services versus 12.7 percent nationally.

Payroll increases in Wyoming's government sector ranked among the largest increases in the Nation. State and local government payrolls increased 13.1 percent versus 6.8 percent nationally, and Federal Government payrolls increased 12.3 percent versus 7.1 percent nationally.

In manufacturing, durable goods payrolls increased 23.0 percent from year to year, one of the largest increases among all States and 7.8 percentage points more than the national increase. In sharp contrast, nondurable goods manufacturing payrolls increased only 2.8 percent from year to year versus 10.0 percent nationally.

From 1977:1V to 1978:1V, State unemployment insurance benefits in Wyoming declined 17.0 percent, the eighth smallest decline in the Nation. Concurrently, unemployment insurance benefits declined 30.3 percent on a national basis.

Chart 2.—Consumer Price Index, Percent Change, 1977:1V–1978:1V

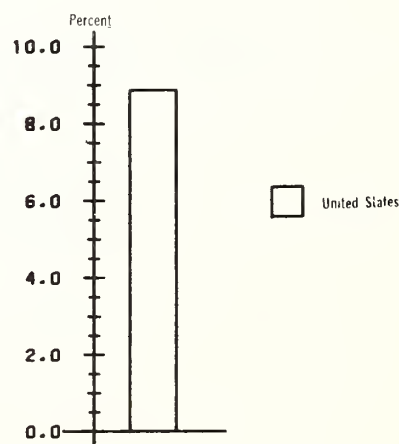


Chart 3.—Total Personal Income
[Seasonally adjusted]

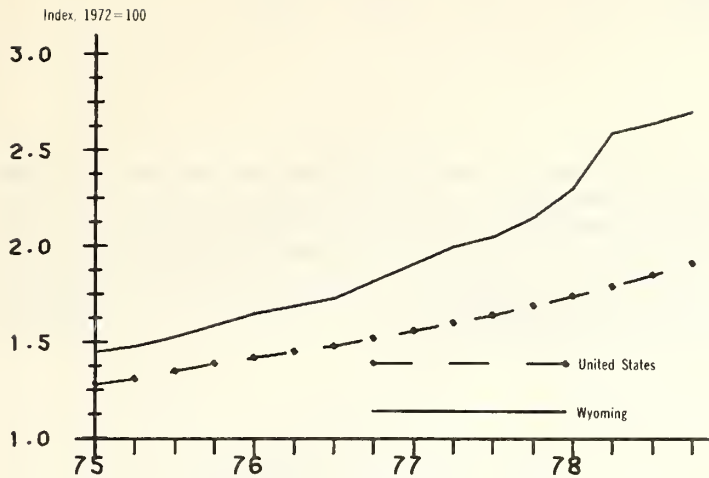


Chart 4.—Industrial Composition of Wages and Salaries: Wyoming
[Seasonally adjusted]

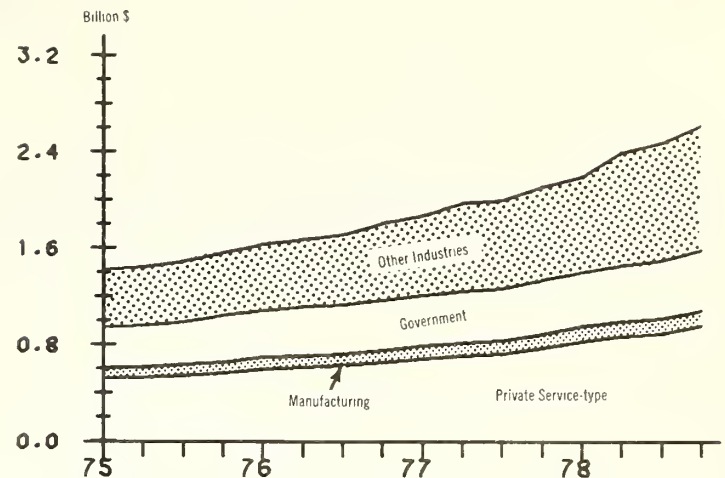


TABLE 2.—Personal Income, United States and Wyoming Through Fourth Quarter, 1978

| | United States | | | Wyoming | | | U.S. | State | U.S. | State |
|---|---|-----------|----------|---------|----------|---------|-----------------------|-----------------------------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | | | | | | | | | | |
| | Millions of dollars, seasonally adjusted at annual rates ¹ | | | | | | | Percent change ² | | |
| Total personal income | 1,583,508 | 1,782,519 | 3,093 | 3,239 | 3,972 | 4,067 | 12.4 | 28.4 | 12.6 | 25.6 |
| Farm personal income | 31,224 | 39,451 | 49 | 57 | 314 | 223 | 47.9 | 537.3 | 26.3 | 293.6 |
| Nonfarm personal income | 1,552,284 | 1,743,068 | 3,043 | 3,182 | 3,658 | 3,844 | 11.9 | 20.2 | 12.3 | 20.8 |
| Total personal income | 1,583,508 | 1,782,519 | 3,093 | 3,239 | 3,972 | 4,067 | 12.4 | 28.4 | 12.6 | 25.6 |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 2,012 | 2,119 | 2,480 | 2,626 | 12.1 | 23.3 | 12.6 | 23.9 |
| Other labor income | 96,016 | 111,719 | 172 | 184 | 227 | 239 | 17.0 | 32.2 | 16.4 | 29.9 |
| Proprietors' income | 105,953 | 125,995 | 261 | 275 | 567 | 493 | 21.5 | 116.9 | 18.9 | 79.1 |
| Farm | 23,636 | 31,044 | 4 | 11 | 267 | 173 | 66.6 | *** | 31.3 | *** |
| Nonfarm | 82,317 | 94,951 | 257 | 264 | 300 | 319 | 12.8 | 16.7 | 15.3 | 20.9 |
| Dividends, interest, and rent | 214,992 | 242,442 | 487 | 501 | 547 | 563 | 12.3 | 12.4 | 12.8 | 12.5 |
| Transfer payments | 215,944 | 233,750 | 297 | 303 | 326 | 331 | 8.8 | 9.9 | 8.2 | 9.2 |
| State unemployment insurance benefits | 11,128 | 7,753 | 9 | 9 | 9 | 8 | -24.0 | -3.7 | -30.3 | -17.0 |
| Less: personal contributions | 62,212 | 71,610 | 136 | 143 | 174 | 183 | 14.8 | 28.1 | 15.1 | 28.1 |
| Plus: residence adjustment | -401 | -473 | 0 | 0 | -1 | -1 | — | — | — | — |
| Wage and salary disbursements | 1,013,216 | 1,140,696 | 2,012 | 2,119 | 2,480 | 2,626 | 12.1 | 23.3 | 12.6 | 23.9 |
| Farm | 7,176 | 7,939 | 44 | 44 | 46 | 48 | 8.5 | 5.2 | 10.6 | 8.4 |
| Nonfarm | 1,006,040 | 1,132,757 | 1,968 | 2,075 | 2,434 | 2,578 | 12.1 | 23.7 | 12.6 | 24.3 |
| Mining | 14,048 | 18,813 | 453 | 468 | 630 | 660 | 26.5 | 39.0 | 33.9 | 40.9 |
| Construction | 55,648 | 66,858 | 239 | 258 | 293 | 317 | 19.1 | 22.9 | 20.1 | 22.5 |
| Manufacturing | 276,112 | 312,970 | 113 | 121 | 132 | 134 | 12.1 | 17.0 | 13.3 | 11.0 |
| Durable goods | 176,216 | 203,053 | 42 | 49 | 59 | 60 | 13.7 | 41.2 | 15.2 | 23.0 |
| Nondurable goods | 99,896 | 109,917 | 71 | 72 | 73 | 74 | 9.4 | 2.7 | 10.0 | 2.8 |
| Private service-type | 455,764 | 515,348 | 726 | 776 | 893 | 958 | 12.8 | 23.0 | 13.1 | 23.5 |
| Transportation, communication, and public utilities | 76,584 | 85,264 | 207 | 217 | 238 | 252 | 10.4 | 15.4 | 11.3 | 16.2 |
| Wholesale and retail trade | 170,888 | 195,035 | 292 | 307 | 365 | 394 | 13.6 | 24.9 | 14.1 | 28.4 |
| Finance, insurance, and real estate | 54,452 | 61,653 | 61 | 65 | 76 | 80 | 14.1 | 26.3 | 13.2 | 23.0 |
| Services | 153,840 | 173,396 | 167 | 187 | 213 | 232 | 12.6 | 27.9 | 12.7 | 24.0 |
| Government | 201,252 | 215,083 | 431 | 445 | 478 | 502 | 7.4 | 10.9 | 6.9 | 12.8 |
| Federal | 68,176 | 73,003 | 155 | 157 | 170 | 176 | 7.3 | 10.0 | 7.1 | 12.3 |
| State and local | 133,076 | 142,080 | 277 | 289 | 308 | 326 | 7.5 | 11.4 | 6.8 | 13.1 |
| Other | 3,216 | 3,685 | 7 | 7 | 8 | 8 | 18.7 | 17.2 | 14.6 | 16.8 |

***Percent change greater than 999.9.

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Wyoming Through Fourth Quarter, 1978¹

| | United States | | | Wyoming | | | U.S. | State | U.S. | State |
|--------------------------------------|--|---------|----------|---------|----------|---------|------------------------|----------------------|------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III — 1978:III | 1977:IV — 1978:IV | | |
| | | | | | | | | | | |
| | Index, 1967 = 100, not seasonally adjusted | | | | | | | Percent change | | |
| U.S. city average ² | 185.3 | 201.8 | --- | --- | --- | --- | 7.9 | --- | 8.9 | --- |

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Wyoming's **civilian labor force** increased 6.3 percent versus 3.1 percent nationally (table 4). Wyoming's increase ranked fourth in the Nation. **Total employment** increased 6.4 percent in the State, the largest increase in the Rocky Mountain region, to 202,000. The U.S. increase was 3.9 percent.

With both employment and the labor force increasing between 12,000 and 13,000, **unemployment** in the State was almost unchanged, at 7,000. Wyoming's **unemployment rate** in 1978:IV was 3.5 percent of the labor force, the lowest unemployment rate in the Rocky Mountain region, along with the 3.5-percent rate registered in Utah. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Wyoming

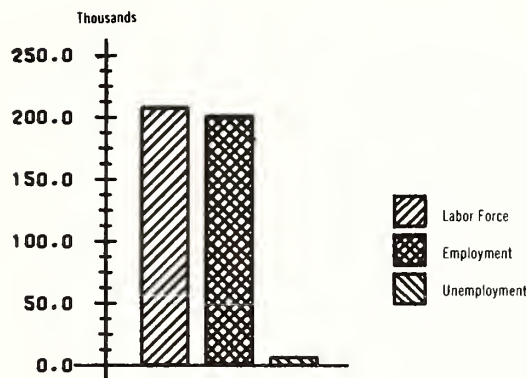


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

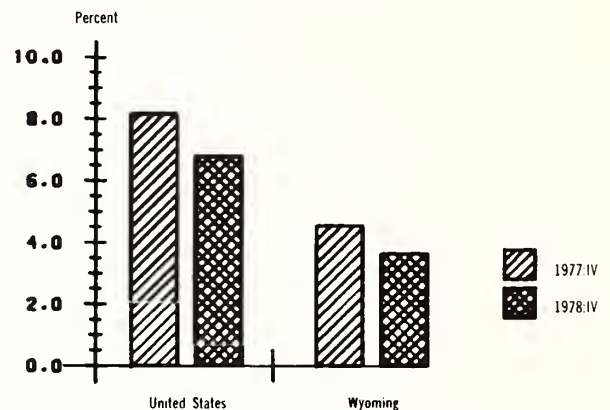


TABLE 4.—Labor Force, United States and Wyoming Through Fourth Quarter, 1978

| | United States | | | Wyoming | | | U.S. | State | U.S. | State |
|---|--|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Thousands of persons, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Employees on nonagricultural payrolls | 84,210 | 87,708 | 184 | 177 | 198 | 196 | 4.3 | 7.3 | 4.2 | 10.8 |
| Mining | 787 | 899 | 27 | 27 | 29 | 30 | 8.2 | 10.1 | 14.2 | 10.7 |
| Construction | 4,032 | 4,488 | 20 | 18 | 24 | 23 | 10.4 | 20.8 | 11.3 | 25.7 |
| Manufacturing | 19,986 | 20,722 | 9 | 9 | 10 | 10 | 3.1 | 2.2 | 3.7 | 7.4 |
| Transportation, communication, and public utilities | 4,761 | 4,971 | 14 | 14 | 15 | 15 | 3.8 | 8.7 | 4.4 | 9.4 |
| Wholesale and retail trade | 19,152 | 20,015 | 41 | 40 | 46 | 45 | 5.3 | 11.7 | 4.5 | 13.9 |
| Finance, insurance, and real estate | 4,852 | 4,756 | 6 | 6 | 7 | 7 | 4.8 | 11.9 | -2.0 | 11.7 |
| Services | 15,539 | 16,215 | 28 | 24 | 30 | 26 | 4.6 | 6.5 | 4.4 | 9.3 |
| Government | 15,434 | 15,656 | 40 | 39 | 38 | 40 | 2.1 | -5.1 | 1.4 | 2.8 |
| Civilian labor force ³ | 98,591 | 101,615 | 207 | 197 | 221 | 209 | 3.2 | 7.1 | 3.1 | 6.3 |
| Total employed | 92,442 | 96,010 | 201 | 189 | 215 | 202 | 4.1 | 7.4 | 3.9 | 6.4 |
| Total unemployed | 6,149 | 5,605 | 6 | 7 | 6 | 7 | -9.8 | -3.7 | -8.8 | 2.9 |
| Percent unemployed | 6.2 | 5.5 | 2.9 | 3.6 | 2.6 | 3.5 | --- | --- | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

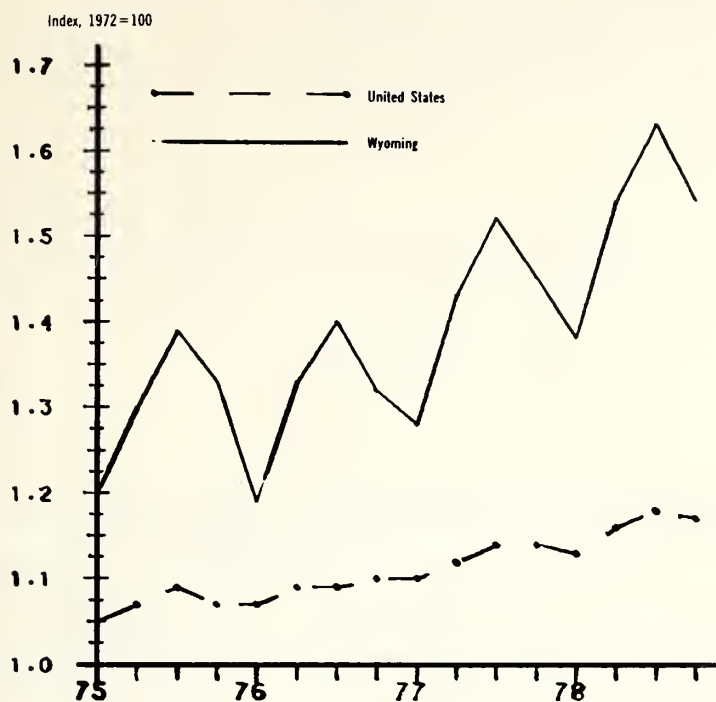


Chart 8.—Civilian Employment

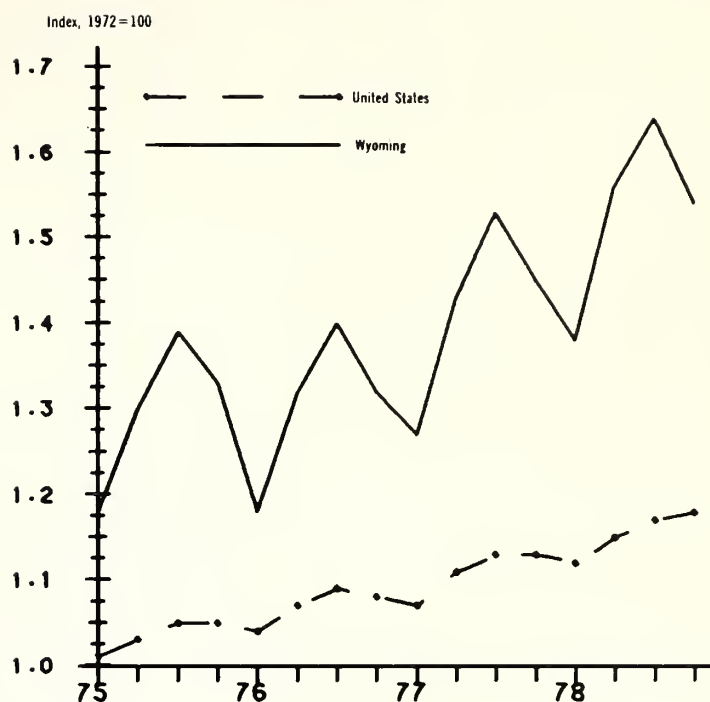


Chart 9.—Unemployment Rate

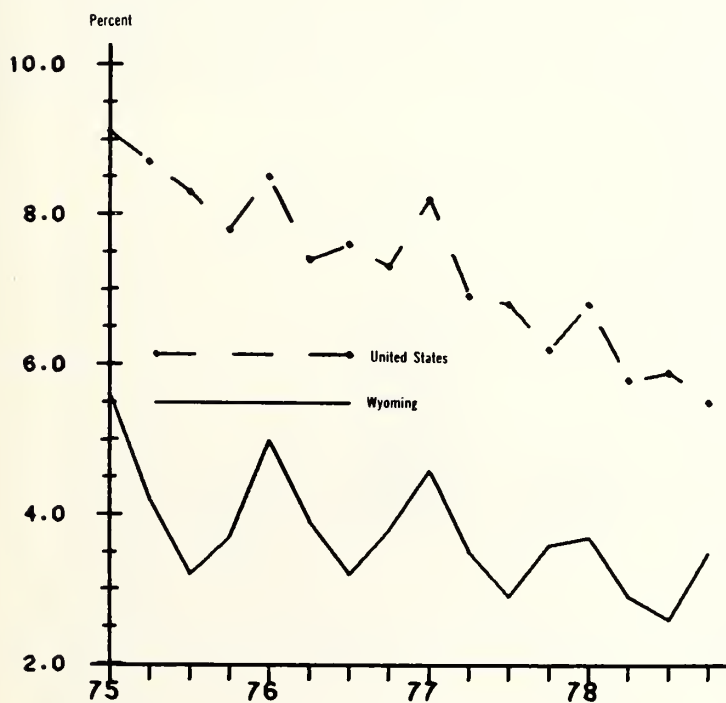
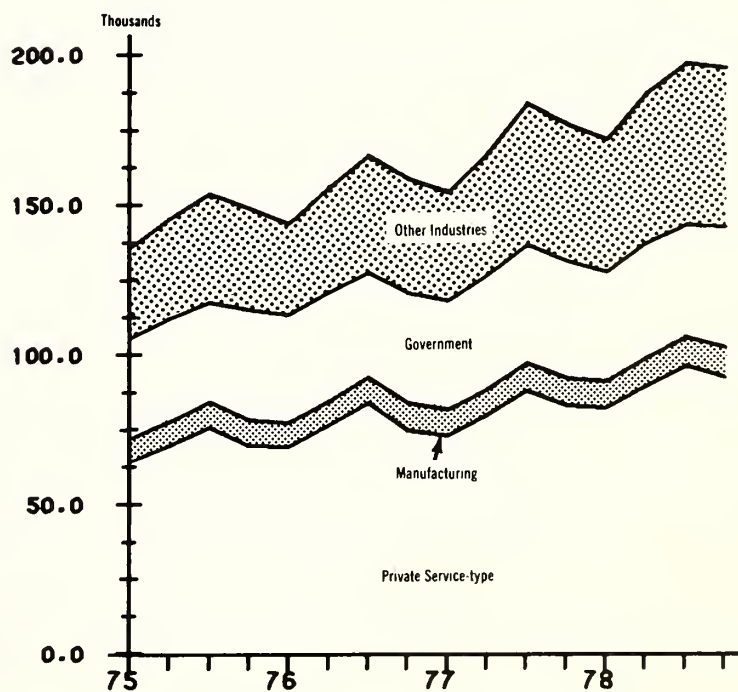


Chart 10.—Industrial Composition of Nonagricultural Employment: Wyoming



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Wyoming Through Fourth Quarter, 1978

| | United States | | | Wyoming | | | U.S. | State | U.S. | State |
|------------------------------|---|---------|----------|---------|----------|---------|-----------------------------|-------|---------------------|-------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | | 1977:IV— 1978:IV | |
| | Millions of dollars, not seasonally adjusted ¹ | | | | | | Percent change ² | | | |
| Total loans | 610,502 | n.a. | 1,331 | 1,356 | 1,548 | n.a. | 16.3 | 16.3 | --- | --- |
| Commercial and industrial | 196,317 | n.a. | 395 | 400 | 463 | n.a. | 14.2 | 17.2 | --- | --- |
| Loans to individuals | 140,599 | n.a. | 326 | 331 | 393 | n.a. | 20.2 | 20.4 | --- | --- |
| Real estate | 177,935 | n.a. | 365 | 384 | 454 | n.a. | 19.9 | 24.2 | --- | --- |
| Residential | 101,236 | n.a. | 187 | 200 | 233 | n.a. | 21.3 | 24.3 | --- | --- |
| Farms | 7,731 | n.a. | 16 | 16 | 14 | n.a. | 10.7 | -9.2 | --- | --- |
| Other | 68,968 | n.a. | 162 | 168 | 207 | n.a. | 19.0 | 27.4 | --- | --- |
| Farms, excluding real estate | 25,704 | n.a. | 229 | 219 | 219 | n.a. | 6.8 | -4.4 | --- | --- |
| Other | 69,947 | n.a. | 15 | 22 | 20 | n.a. | 8.0 | 28.2 | --- | --- |
| Total deposits | 925,511 | n.a. | 2,010 | 2,156 | 2,276 | n.a. | 11.5 | 13.2 | --- | --- |
| Demand | 377,683 | n.a. | 698 | 792 | 836 | n.a. | 10.2 | 19.7 | --- | --- |
| Time and savings | 547,828 | n.a. | 1,312 | 1,364 | 1,440 | n.a. | 12.3 | 9.8 | --- | --- |

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts declined 16.6 percent (\$23.1 million), to \$116.4 million (table 6). Only the District of Columbia and North Dakota registered larger declines—51.0 percent and 51.2 percent, respectively. Nationally, the total valuation of contracts increased 16.8 percent. In 1977:IV, a \$14 million contract for the construction of a water transmission system and an \$11 million contract for the construction of a dam and flood control system, both in Platte County, significantly increased the State's total valuation of contracts, thereby distorting the subsequent year-to-year change. If both contracts are excluded, the total valuation of contracts would have increased 1.6 percent.

Partly reflecting the two Platte County contracts, the valuation of nonbuilding contracts declined 53.5 percent, compared with a 22.2-percent national increase. Wyoming's decline was exceeded in only two States—North Dakota and Vermont—and in the District of Columbia.

The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 21.0 percent in Wyoming and 16.3 percent nationally.

Nonresidential contracts declined 29.8 percent in valuation, compared with a national increase of 15.8 percent. The State's decline was one of the largest in the Nation.

Residential housekeeping contracts, in contrast, increased 68.0 percent in valuation, exceeded by increases in only West Virginia, Hawaii, and the District of Columbia. The number of dwelling units started increased 32.5 percent (285 units), to 1,162 units; nationally, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased 17.0 percent in valuation in the State and 14.6 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

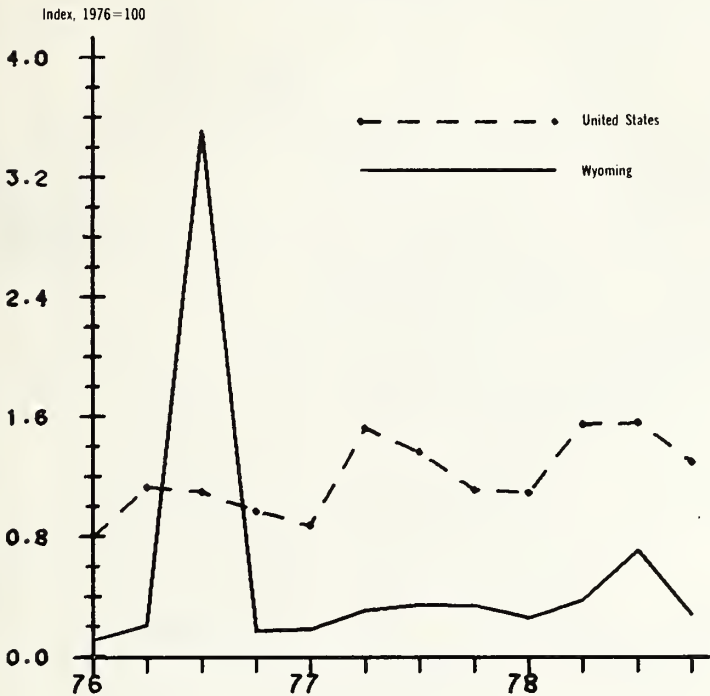


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Wyoming

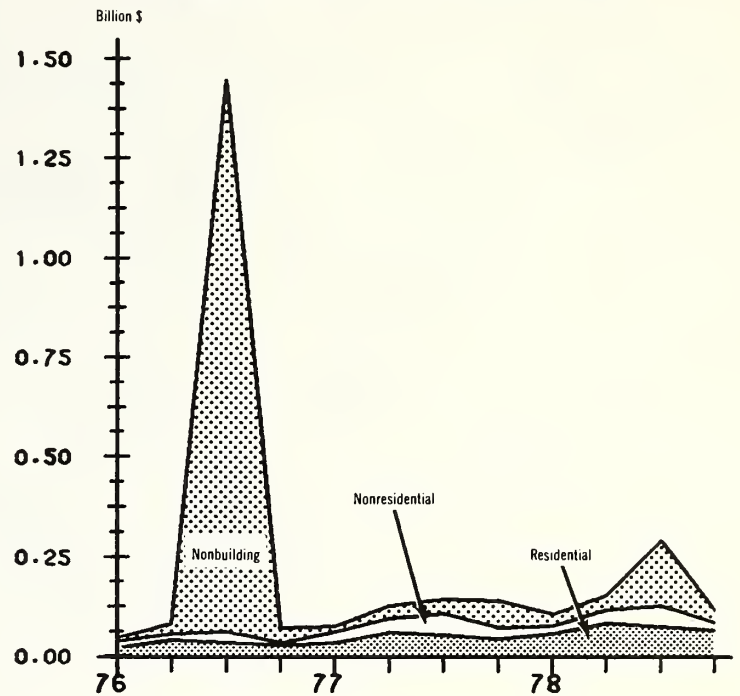


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

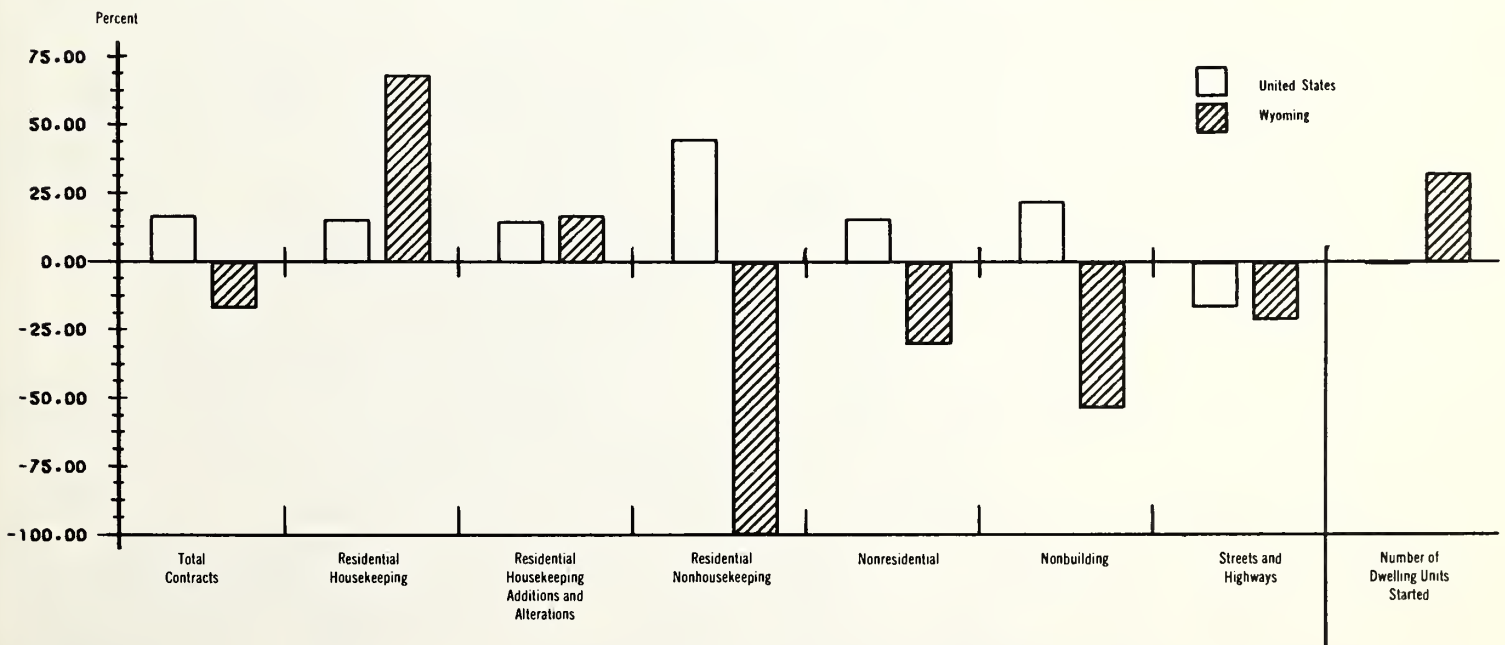


TABLE 6.—Construction Contracts, United States and Wyoming Through Fourth Quarter, 1978¹

| | United States | | | Wyoming | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------------|----------------|----------------|----------------|----------------|-----------------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change ² | | | |
| Total valuation of contracts | 38,913,111 | 45,459,773 | 145,738 | 139,528 | 292,879 | 116,389 | 14.5 | 101.0 | 16.8 | -16.6 |
| Residential housekeeping, additions and alterations: | | | | | | | | | | |
| Valuation (thousands of dollars) | 7,707,987 | 8,832,353 | 13,894 | 12,062 | 13,703 | 14,115 | 16.8 | -1.4 | 14.6 | 17.0 |
| All other contracts: | | | | | | | | | | |
| Number of contracts | 62,789 | 56,928 | 192 | 207 | 227 | 170 | 4.4 | 18.2 | -9.3 | -17.9 |
| Valuation (thousands of dollars) | 31,205,124 | 36,627,420 | 131,844 | 127,466 | 279,176 | 102,274 | 14.0 | 111.7 | 17.4 | -19.8 |
| Floor area (thousands of square feet) | 881,453 | 971,596 | 2,518 | 1,846 | 3,635 | 2,453 | 10.8 | 44.4 | 10.2 | 32.9 |
| Residential housekeeping: | | | | | | | | | | |
| Number of contracts | 14,825 | 14,192 | 78 | 81 | 78 | 73 | -5.1 | .0 | -4.3 | -9.9 |
| Number of dwelling units | 445,772 | 443,075 | 1,078 | 877 | 1,430 | 1,162 | 1.0 | 32.7 | -6 | 32.5 |
| Valuation (thousands of dollars) | 14,879,596 | 17,198,518 | 37,056 | 29,830 | 59,270 | 50,127 | 15.3 | 59.9 | 15.6 | 68.0 |
| Floor area (thousands of square feet) | 579,733 | 641,796 | 1,369 | 1,108 | 2,119 | 1,813 | 10.3 | 54.8 | 10.7 | 63.6 |
| Residential nonhousekeeping: | | | | | | | | | | |
| Number of contracts | 507 | 505 | 1 | 2 | 3 | 0 | -10.0 | 200.0 | -4 | --- |
| Valuation (thousands of dollars) | 338,637 | 490,279 | 1,600 | 500 | 1,410 | 0 | 9.4 | -11.9 | 44.8 | --- |
| Floor area (thousands of square feet) | 8,467 | 10,560 | 63 | 22 | 41 | 0 | -7 | -34.7 | 24.7 | --- |
| Nonresidential: | | | | | | | | | | |
| Number of contracts | 30,756 | 27,055 | 54 | 62 | 64 | 48 | -2.5 | 18.5 | -12.0 | -22.6 |
| Valuation (thousands of dollars) | 9,334,415 | 10,810,769 | 57,059 | 29,483 | 54,234 | 20,693 | 27.6 | -5.0 | 15.8 | -29.8 |
| Floor area (thousands of square feet) | 293,253 | 319,240 | 1,087 | 716 | 1,475 | 640 | 12.2 | 35.7 | 8.9 | -10.6 |
| Nonbuilding: | | | | | | | | | | |
| Number of contracts | 16,701 | 15,176 | 59 | 62 | 82 | 49 | 22.4 | 39.0 | -9.1 | -21.0 |
| Valuation (thousands of dollars) | 6,652,476 | 8,127,854 | 36,129 | 67,653 | 164,262 | 31,454 | -1 | 354.7 | 22.2 | -53.5 |
| Streets and Highways: | | | | | | | | | | |
| Number of contracts | 4,986 | 4,099 | 45 | 23 | 45 | 30 | 9.3 | .0 | -17.8 | 30.4 |
| Valuation (thousands of dollars) | 2,308,681 | 1,931,341 | 31,715 | 26,411 | 13,950 | 20,859 | 3.0 | -56.0 | -16.3 | -21.0 |

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Wyoming are not available.

TABLE 7.—Retail Sales, United States and Wyoming Through Fourth Quarter, 1978

| | United States | | | Wyoming | | | U.S. | State | U.S. | State |
|---------------------|--|----------------|-------------|-------------|-------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Millions of dollars, not seasonally adjusted | | | | | | Percent change | | | |
| Retail sales | 197,030 | 219,020 | n.a. | n.a. | n.a. | n.a. | 10.3 | --- | 11.2 | --- |
| Durable goods | 62,065 | 71,573 | n.a. | n.a. | n.a. | n.a. | 11.8 | --- | 15.3 | --- |
| Nondurable goods | 134,965 | 147,447 | n.a. | n.a. | n.a. | n.a. | 9.6 | --- | 9.2 | --- |

n.a. Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Wyoming Through Fourth Quarter, 1978

| | United States | | | Wyoming | | | U.S. | State | U.S. | State |
|--|-------------------------|-------------|------------|------------|------------|-------------|-----------------------|----------------------|-----------------------|----------------------|
| | 1977:IV | 1978:IV | 1977:III | 1977:IV | 1978:III | 1978:IV | 1977:III— 1978:III | 1977:IV— 1978:III | 1977:III— 1978:III | 1977:IV— 1978:III |
| | Not seasonally adjusted | | | | | | Percent change | | | |
| New business incorporations | 109,411 | n.a. | 302 | 307 | 301 | n.a. | 8.2 | -.3 | --- | --- |
| Total number of business failures | 1,684 | n.a. | 0 | 0 | 1 | n.a. | -9.5 | --- | --- | --- |
| Current liabilities (thousands of dollars) | 484,296 | n.a. | 0 | 0 | 375 | n.a. | -44.2 | --- | --- | --- |
| Average liability per failure (thousands of dollars) | 288 | n.a. | 0 | 0 | 375 | n.a. | -38.4 | --- | --- | --- |
| Business failures by industry | | | | | | | | | | |
| Mining and manufacturing | 248 | n.a. | 0 | 0 | 0 | n.a. | -10.1 | --- | --- | --- |
| Construction | 319 | n.a. | 0 | 0 | 1 | n.a. | 1.0 | --- | --- | --- |
| Wholesale trade | 191 | n.a. | 0 | 0 | 0 | n.a. | -27.1 | --- | --- | --- |
| Retail trade | 688 | n.a. | 0 | 0 | 0 | n.a. | -4.2 | --- | --- | --- |
| Commercial services | 238 | n.a. | 0 | 0 | 0 | n.a. | -24.0 | --- | --- | --- |

n.a. Data not available.

Source: Dun & Bradstreet, Inc.

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